The Overbought Golds (Page 15)

Nickel's Plans for '35 (Page 14)

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

ENLARGED MINING SECTION
A WEEKLY FEATURE
PAGES 14-16

Vol. XXVIII — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, DECEMBER 8, 1934 — 10c a Copy; $5.00 a Year — No. 49

The Nation's Business

- Short-weight Deliveries
- Whose Responsibility?
- Why No Tribunals on Railways?
- Ottawa Should Audit Its Hand-outs

More Facts Needed About Weight Cheating

BEFORE the Price Spreads enquiry has concluded its work, it ought to clarify several presently obscure angles of the vexed problem of short-weight deliveries by retail stores.

That the public has been shocked by the disclosures is obvious. That the evidence is in part misleading may also be true since it was apparently obtained primarily as an act of aggression against the chain stores. The evidence of some of the witnesses must be discounted as much as 100 per cent, because of their own admissions of their unreliable character and of their dismissal for cause from the concerns against whom they are now testifying.

One of the things that the public ought to know a little more about is whose responsibility it is to check up on inaccurate scales and on underweight deliveries.

The weights and measures branch of the Department of Trade and Commerce has primary responsibility in the first matter. The public has a right to know whether Mr. Stevens, when he was minister of trade and commerce, was quite as active in checking up on crooked scales as he suddenly became when his enquiry got under way.

Apparently underweight deliveries are a matter for local police departments. But the exact position can be clarified by the committee.

Another thing the public ought to know is whether or not cheating is more prevalent in the chain food stores than in independently owned stores and, if so, whether it is the result of deliberate company policy or lack of a proper system of control over the individual units.

Investors in the chain food store securities will properly demand that their directors see that adequate safeguards for the public are provided in the future.

* * *

Where Are Those Arbitral Tribunals?

IT IS significant that since the Canadian National-Canadian Pacific legislation became effective there has been no single arbitral tribunal appointed to reconcile conflicts between the Canadian National and the Canadian Pacific railways in the matter of co-operative economies.

If the lack of arbitral tribunals indicated that there was such a measure of co-operation between the two railways that compulsion was not necessary, there would be no cause for dissatisfaction in this state of affairs. But it seems more likely that no arbitral tribunals have been appointed because the railways—one or other or both—have not been sufficiently vigorous in their pursuit of co-operative economies even to get to the point of making an issue out of any particular joint economy suggested on either side.

* * *

IN VIEW of the fact that no measures of joint economy of any importance have been announced for some months and, in view of the fact that neither railway has called for an arbitral tribunal to force the hand of the other, the public wonders if either the C.N.R. or the C.P.R. is anxious to give the Duff recommendations a full trial.

If the fault lies with the National line, the Canadian Pacific should take the initiative in calling for arbitral tribunals.

If the C.P.R. is to blame, Chairman Fullerton of the C.N.R. should take the lead.

And if no further progress in the direction of co-operation is made in the near future, the prime minister would be justified in making a test case of some co-operative measure to force the railways to appear before an arbitral tribunal.

* * *

Dominion Should Know How Its Funds Are Spent

IT IS no reflection upon any provincial or municipal government in Canada to urge that, when the Dominion loans or contributes money to another government it should insist upon a proper audit of the spending of the funds. The Dominion treasury is aiding the provinces and municipalities two

(Continued on page 2, col. 3)

MONT. TRAMS. WILL BE PAID FULL AMOUNT

Contract Allowances to be Met for This Year

SHORT ON RENTAL

Payment to City in Doubt But Company's Share Will Meet All Charges

From Our Own Correspondent

MONTREAL — Montreal Tramways Company will receive full payment under its contract with the city from the Montreal Tramways Commission for 1934. Accordingly the financial statement of the company for the current year will show that bond interest and dividends have been fully covered.

In last week's issue of The Financial Post the Montreal Tramways situation was covered in detail. It was pointed out that due to a decrease in traffic, income of the Tramways Commission was insufficient to cover all charges due under the contract, including payment of the rental of $500,000 to the city.

Now Expect Shortage

This statement will likely be borne out by actual results. While the final figures for the year will not be known until some time early in January, it now appears that even with the best of operating conditions, net earnings of the commission will fall from $200,000 to $300,000 short of meeting the city rental of $500,000. This is after taking into consideration the amount left in the depleted reserves.

Depends on Snow

The amount available to the city will depend very largely on snow conditions during the balance of the month. Last year the commission experienced abnormally heavy snow removal charges. The first snowfall came late in October and by the end of the year several feet had fallen. To date this year the commission has not experienced any expense for snow removal. This means a saving of at least $40,000 a month, so that if no snow falls in the next three weeks, the commission's expenses will be from $80,000 to $100,000 less than they were a year ago.

Thus the situation at the moment is that as far as 1934 is concerned the revenues of the Tramways Commission will be sufficient to cover all amounts owing to the company under the contract, while the surplus available for the city rental will fall short of the needed $500,000.

The matter of what the commission will do to increase revenues to meet all charges, and what the city will do if the annual rental is not forthcoming, has been a matter of speculation for several months. It is known that the city authorities, members of the Tramways Commission and representatives of the company have given considerable thought as to ways and means of increasing revenue so that payment of rental can be continued uninterrupted.

Need Only Small Gain

While the statistical position of the commission is not altogether pleasing, it is pointed out that an increase of only five per cent in gross income would permit that body to meet all contract charges. Prospects of this improvement are indeterminate. Meanwhile many economies, set out in detail in last week's issue, have been put in force. The savings have been very substantial. Though further economies are possible, operating costs have been so reduced that it is not possible to carry out any further major economies.

One plan which the commission has been working on to meet the reduced traffic situation is the greater use of one-man cars. This step has been opposed in different quarters, but it is realized that unless the trend of traffic takes a turn for the better, it will be necessary to make greater use of this type of conveyance.

At present nearly one-third of the cars operated on the Montreal Tramways are of the one-man type. This is a relatively small percentage compared with that in force in other major cities in Canada and the United States. It is altogether possible,

(Continued on page 2, col. 7)

Contract Awards Nearly Maintain October Level

Although the total for construction contracts awarded in November is slightly below the figure for the corresponding month of last year, the decline from October is less than the usual seasonal trend.

Other monthly business indicators, released during the past week, show impressive gains over October last year.

Monthly:		Nov. '34	— Change — From Prev. Period %	From Prev. Year %
Constr. contracts..		$ 10,451,500	—6.3	—1.7
		Oct. '34		
Retail sales index		83.1	+13.2	+6.0
Pete. imports	gal.	110,637,902	—6.4	+20.6
Rubber imp. ..	lbs.	6,816,973	+9.8	+18.0
New auto. sales	No.	2,642	—33.0	+25.7
Weekly:*				
Car loadings	No.	47,748	—5.0	+7.3
Cattle sales	No.	16,231	—20.2	+0.6
Hog sales	No.	27,112	+29.1	....

* Weeks ended Nov. 24, 29 and 29 respectively.

Abitibi is Sure Of Enough Wood

The Financial Post is informed that the opening of the Thunder Bay Paper mill, which was closed on June 30 last, is not a measure to counteract the effect of the strike of pulpwood workers in areas contiguous to the Sault Ste. Marie plant. Though no official statement could be obtained on the point, those close to the company appear to be confident that the strike will not prevent operations of the Sault plant at the rate intended by the company for the winter.

One man, though regretful that the trouble happened, expressed the view that operations in the final analysis would not be hampered at all. He said that the trouble was foreseen and operations planned in consequence.

SOME CHANGES IN INSURANCE '34 VALUATIONS

Convention Values to Apply Again in U.S. and Can. Provinces

Special Correspondence

ST. PETERSBURG, FLORIDA—The principle of "convention values" with certain important modifications for 1934, was adopted this week by U.S. insurance commissioners in annual convention in this city. The basis adopted by the convention will apply to all insurance companies operating in the United States and will also be extended to all Canadian companies operating under provincial jurisdiction.

Reason for the inclusion of Canada in the valuations picture is the fact that again this year, the Canadian association of provincial superintendents sent as their representatives to the U. S. meeting, R. Leighton Foster of Ontario and B. A. Dugal of Quebec. This year the Canadians sat in on the executive sessions and it is understood will adopt the same basis as that recommended by the U.S. commissioners.

All companies as in the past will amortize bonds not in default. Last year convention values were used for all securities not eligible for amortization which were the average of market prices of Nov. 1, 1933, and convention values of Dec. 31, 1932. This year such securities other than state and municipal bonds will be taken at market values. Special treatment accorded to municipal bonds in default is outlined in section three, of the resolution shown below.

For life companies, cost or book values of stocks, whichever is the lower in the aggregate may be used providing income maintains policy obligations, a basis adopted for the first time last year.

The basis was submitted by the committee and approved by the entire convention representing practically every state of the union in a resolution which reads:

Text of Resolution

"Resolved, that the committee on valuation of securities of the National Convention of Insurance Commissioners recommends the following basis of valuing stocks and bonds for the inventory of such securities in the annual statement of insurance companies as of Dec. 31, 1934:

"1. Stocks and bonds should be valued at market quotations of Dec. 31, 1934, except as hereinafter provided.

"2. All bonds amply secured and not in default should be valued on an amortized basis wherever permitted by law.

"3. Bonds of states of the United States and of the provinces of Canada and political subdivisions thereof, not eligible to amortization, should be valued at the convention values as of Dec. 31, 1933, except that where such bonds shall have been in default for a period longer than two years prior to Nov. 1, 1934 the values should be the convention values as of Dec. 31, 1931, less 30 per cent of the difference between such values and the market quotations of Nov. 1, 1934.

"Such bonds acquired since Dec. 31, 1931, except by exchange for betterment of portfolio, should be valued at market quotations of Dec. 31, 1934.

"Further resolved, that the cost or book value of stocks, whichever is lower in the aggregate held by life insurance companies, as at Dec. 31 1934, may be used in the aggregate as the fair market value of such stocks, provided the income received by such companies on such stocks during each of the five years preceding the date of valuation shall have been at the rate sufficient to meet the interest required to maintain policy reserves and other policy obligations, and provided further that the net investment income received by such companies on their ledger assets shall not have been less than required to maintain the reserve.

"This shall not apply to stocks of corporations in receivership or similar status.

"Cost as used herein shall be held to include stocks received as exchanges or rights received as dividends or otherwise at not to exceed the market value quoted on the date acquired."

STRICT CHECK SHORT WEIGHTS LIKELY SOON

Ottawa Disturbed Over Protests From Provinces

WHO SHOULD POLICE?

Present Laws Require Proof of Intent to Defraud—Think Municipalities Should Act

From Our Own Correspondent

OTTAWA. — Evidence regarding short weight by retail grocers, both chains and private merchants, has thrown officialdom at Ottawa into confusion but is most unlikely to lead to real effort on the part of the Trade and Commerce Department to maintain strict police inspection either in this or in other merchandising fields.

Witnesses appearing before the Price Spreads Commission are employees of the Weights and Measures branch of the Trade and Commerce Department, hired during the Stevens régime, for the particular purpose of carrying out a test of weights in this field of the retail trade.

Innumerable Complaints

Innumerable complaints have since reached Ottawa. The public is asking why this sudden foray on the part of the department? Why have weights and measures not been properly inspected in past years?

While there may be statutory amendments clarifying the existing position of the law, the ultimate answer of the department and of the government is thought certain to be that inspection of the weights and measures given by retailers is the duty of the police. The true function of the Trade and Commerce Department is to make available to commerce generally true weights and measures: to check the weighing and measuring equipment of all firms to make sure that they are accurate. What happens after these periodic checks is the responsibility of the local authorities.

"Intent" Must Be Proved

Weights and measures are dealt with by two Federal statutes. The Criminal Code deals with false weights and measures under fraud. But the weakness of the Code provision is said to lie in the fact that no prosecution can succeed unless "intent" is proved. In practice this section of the Code has proved unsuitable. It was impossible to prove "intent." In the few cases brought before the courts, storekeepers always escaped conviction on the plea of short weighting by error.

In 1919, Parliament strengthened the law by amendment of the Weights and Measures Act, as follows:

"Notwithstanding any of the provisions of the Criminal Code, any person who sells, delivers or causes to be sold or delivered, anything by weight, measure or number, short of the quantity ordered or purchased, shall be guilty of an offense and liable to a fine not exceeding $25 for the first offense, and to a fine not exceeding $100 for every subsequent offense. No proceedings shall be taken under the provisions of this section except with the consent of the minister."

The minister, of course, is the Minister of Trade and Commerce.

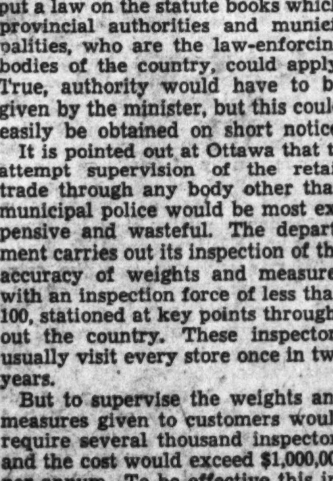
Pass Buck to Provinces

The intention of Parliament, in 1919, was not to attempt direct supervision of weights and measures as given by retail merchants, but to put a law on the statute books which provincial authorities and municipalities, who are the law-enforcing bodies of the country, could apply. True, authority would have to be given by the minister, but this could easily be obtained on short notice.

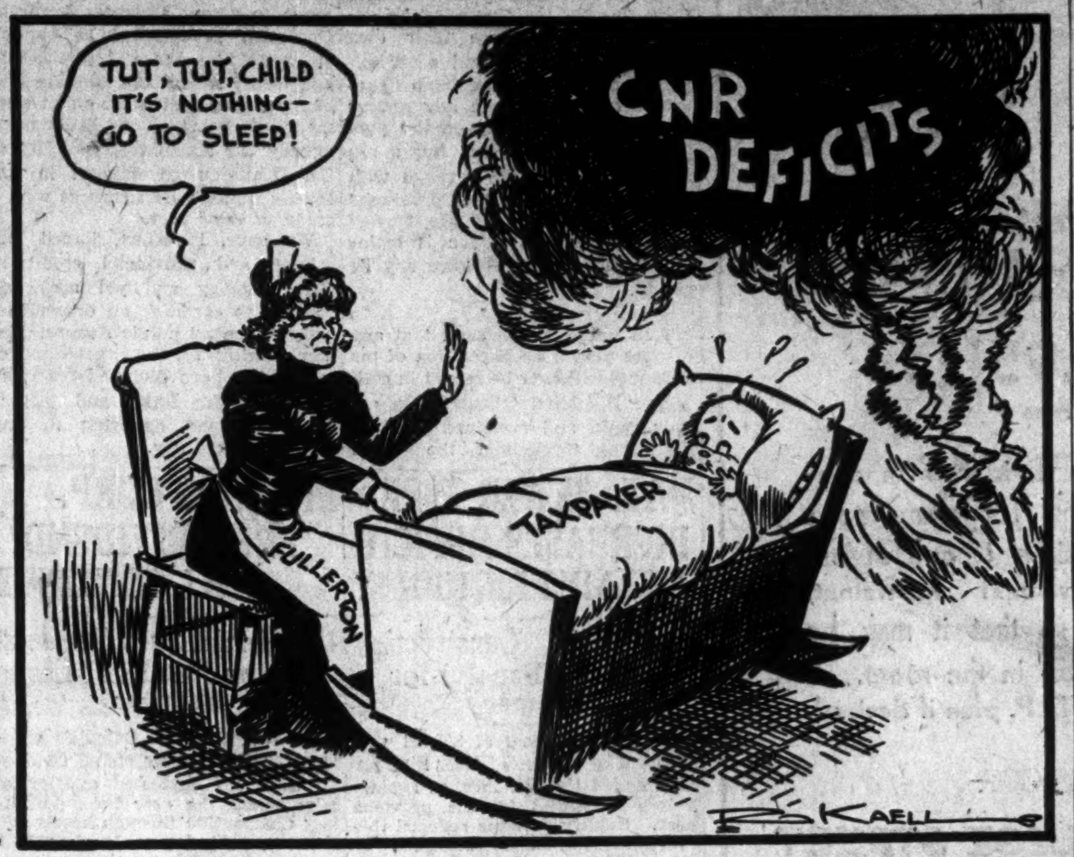
It is pointed out at Ottawa that to attempt supervision of the retail trade through any body other than municipal police would be most expensive and wasteful. The department carries out its inspection of the accuracy of weights and measures with an inspection force of less than 100, stationed at key points throughout the country. These inspectors usually visit every store once in two years.

But to supervise the weights and measures given to customers would require several thousand inspectors and the cost would exceed $1,000,000 per annum. To be effective this inspection would have to be constant.

In several cities this duty has automatically been shouldered by the municipal authorities. In Winnipeg there is a by-law under which all prosecutions are made.



No change in wholesale commodity prices was recorded in the week ended Nov. 30, the index of the Dominion Bureau of Statistics remaining at 71.2.



—Drawn for The Financial Post by R. Kaell.

LULLABY-SINGER

Federal Debt Law Not Yet Welcomed

Prairies See Politics and Creditor Institutions as Stumbling Blocks

By Staff Editor

REGINA.—There seems little enthusiasm in this province for the Farmers' Creditors Arrangement Act; little hope that this legislation can achieve the financial freedom for western farmers which its sponsors envision for it.

Chief reasons are three in number and as follows:

1. That the official receivers are largely political appointees whose tenure of office in the event of a change of government at Ottawa may not exceed nine months at the outside. Thus the legislation fails to offer the degree of permanence necessary for its success.

2. That the act is too loosely drawn; lays down no clear basis for debt adjustment or for terms of payment.

3. That as far as insurance, loan and mortgage companies are concerned there is little prospect of any material scaling down of debt until two, possible three years of good crops are experienced.

As to the first reason, the feeling seems to be that the sooner a general election can be held the better. Farmers and creditors seem loath to put their affairs in the hands of the new debt adjustment officials. They fear the entire machinery may be upset in the summer in the event of an unsuccessful appeal to the electors by the Bennett Government. In other words, there might be considerably more reliance on debt adjustment legislation, if both parties could be sure that the present act and officials were assured a life of four or five years instead of as many months.

Act Too Loosely Drawn

As to the act itself, secured creditors particularly, feel it is far too loose to permit a satisfactory, settlement on a sound legal basis. Perhaps this will be clarified when the boards of review in each province commence to function. Until they lay down rules of procedure it is reasonably certain that nothing will be done on any large scale to use the facilities offered by the federal act.

The third drawback is the unwillingness of secured creditors to make any real headway in respect of debt revaluation until the future of the mortgage picture is more certain. Those who are in intimate touch with this picture seem in agreement that little or nothing has been done as yet by institutional holders of farm mortgages to slash farm debt principal. Offers to reduce interest arrears have been made, it is true, but little or nothing in the way of a real "new deal" for the hard-pressed or insolvent debtor.

Nor will they do so, it is felt, until one, two or three good crops have been harvested and the picture clarifies considerably. Accordingly it is felt little use will be made at the present time of the relief offered by the Farmers' Creditors Arrangement Act.

Legislation Still Young

It must be remembered that this legislation has only been on the statute books of the three Prairie Provinces since September 1, has been actually functioning for an even shorter time. Many of these criticisms may therefore be superficial; may overlook the real good that may eventually be accomplished by this act, which aims to provide a plan for getting secured and unsecured creditors together to give insolvent farmers a new chance. The views expressed above, aim merely to give the highlights of the situation as seen in this province at the present time.

Report B.C. Silver And Premier Gold To Form Company

A new company is to be formed by Premier Gold Mining Co. and B.C. Silver Mines, to operate the property of the latter company, unofficial press-time reports from the Pacific coast state. The reports indicate that Premier Gold and B.C. Silver will each hold 50 per cent of the stock in the proposed company. Premier already owns 38 per cent of the issued stock in B.C. Silver.

B.C. Silver Mines has been inactive since May, 1931, and owns a gold silver property in the Portland Canal district adjoining Premier. Several efforts at joint action with Premier have been mooted in the past, but, until now, have not gone through. The management of B.C. Silver have stated that the property has reached the development stage where the erection of a mill is warranted, with improved silver prices. In view of this, development has been in the nature of preparing the ore body for mining. B.C. Silver Mines has an authorized capitalization of $1,500,000, in $1 par value shares, all of which are outstanding.

Expect Forty Nominations Bank of Canada Directorate

With nominations to the Bank of Canada directorate closed, it has been announced from Ottawa that some 40 individuals will be eligible to contest the seven directorships. Eligibles will be named about Dec. 12. Two of the directors must represent primary industry, two manufactures and commerce, and three other occupations.

Among the contestants, in addition to those named last week in The Financial Post, will be the following:

Thomas Bradshaw, Toronto, president North American Life Assurance Co.

George Foster, K.C., Montreal, barrister.

Frank M. Harvey, F.C.A., Calgary, past president Dominion Association of Chartered Accountants, named as a representative of the Association.

Archibald C. Kains, Ottawa, retired banker, one time governor of the Federal Reserve Bank of San Francisco.

A. Neil McLean, Saint John, president Connors Bros.

Beverley R. Armstrong, Saint John.

Percy B. Evans, Saint John.

Edward Wyatt, B.A., London, principal St. George's public school.

Chamber Slate in Dark

The Canadian Chamber of Commerce had not released the names on its "slate" at mid-week, despite the closing of nominations. Robert A. Wright, Drinkwater, Sask., wheat farmer and livestock breeder, has been named as the prairies representative in the "slate."

Candidates formerly considered indefinite, now believed certain to run, include John E. Hammell, Toronto, president Northern Aerial Canada Golds, and official of other mining developments, and Victor M. Drury, Montreal, investment broker and president of E. B. Eddy Co.

With the post of assistant deputy governor of the bank still vacant, the name of J. Greetham de Lorimier, Montreal, is persistently mentioned for this job.

Highlights of the week

Inco Approaches 1935

A visit to the Copper Cliff plant of International Nickel shows this company to be well equipped for making a serious attack on 1929's earning record. Page 14

Golds Overbought?

An interesting analysis of the factors affecting both South African and Canadian gold stocks, stressing similarity and differences. Page 15

New Bank Chiefs

Morris W. Wilson, new president of The Royal Bank of Canada, is a liberal-minded banker. His character and career. Sydney Dobson, the new general manager, takes office at 51 as did Mr. Wilson. Page 9

Public Problem

Canadian National Railway deficits not a political issue but one to be faced by general public. Fair and thorough trial of Duff Commission recommendations asked. Page 9

India

Proposed reforms may split old political parties of Great Britain. Page 6

Socializing Utilities

President Roosevelt's threat to United States public utilities may affect Canadian investors. Page 4

Quebec Municipalities

Quebec Municipal Commission rules municipal affairs with an iron hand and the municipalities like it. Page 13

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QUEBEC PUTS ST. LAWRENCE ON THE SPOT

Steps Taken to Block Supply of Wood at Low Cost

WARN LIMIT HOLDERS

A.N.P.A. Continues Opposition to Higher Price — Figures Show Strengthening Paper Demand

From Our Own Correspondent

MONTREAL. — St. Lawrence Paper Mills' ability to carry out its contract with the Scripps Howard and Hearst newsprint buying organization will not be made any easier by the action taken by the Quebec Government.

The provincial government has not only taken away from St. Lawrence Paper Mills the right to cut timber of a diameter down to 7 inches, but has withdrawn concessions in the form of reduction in stumpage dues and royalties. This action undoubtedly will increase St. Lawrence Paper Mills' wood costs if cutting is done on their own limits.

In order to prevent the company from securing wood supplies from other sources on the same basis as the other newsprint manufacturers, the government has issued a warning to independent pulpwood operators.

Warn Limit Holders

In a letter dated November 22, 1934, Honore Mercier, Minister of Lands and Forests, has issued a warning to the following effect:

"Any limit holder who will sell wood cut upon his timber limits or permit to cut wood on his timber limits to the St. Lawrence Paper Mills Co. Ltd. will, ipso facto, lose the right to any reduction of stumpage dues or royalties as well as the authorization to cut such trees by exception to the timber regulations of the province."

Throws Down Gauntlet

The attitude taken by the Quebec Government toward the St. Lawrence Paper Co. and the steps instituted to prevent this company from carrying out its contract will, says Mr. Mercier, be applied to any other company, or limit holder, "who would stand in the way of our endeavor to protect the interests of everyone concerned."

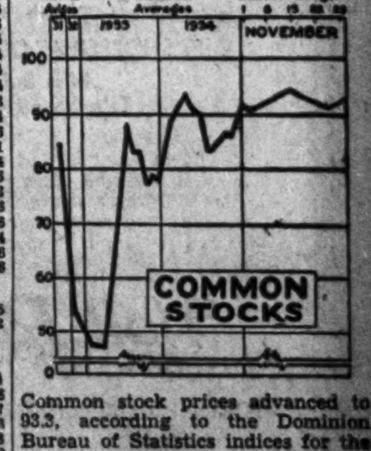
This action is justified by Mr. Mercier on the grounds that it is in the general interest of the province, in order to protect the working classes and to prevent the ruin of the industry. It was taken, he says, after repeated warnings by the province's Prime Minister, to protect "the paper industry against the unfair trading methods of certain companies, the deplorable condition that prevailed then still exists today and, this, in spite of repeated efforts on our part, to better the situation."

Further Measures Possible

Further measures may be adopted by the Quebec Government if conditions in the industry do not improve. This is made clear by the following statement in Mr. Mercier's communication: "We hope that the government's action will make it clear to all concerned, that we will not hesitate to adopt all measures, drastic as they may be, so as to put a stop to the disastrous struggle that has occurred in recent years and which has resulted in the fall of paper sale prices." While there have been no particular developments from the manufacturer's point of view, the publishers in the United States, through the American Newspapers Publishers Association, continue their opposition to the announced practice for 1935.

In a current bulletin the association says that many quarters question whether the departure from the policy of the major producers offering the lowest price fixed as the price of newsprint, will stabilize the newsprint price for 1935.

It is suggested by the association that publishers whose sources of supply have "announced" price for 1935, higher than the 1934 price, include a clause on all orders or specifications for shipment in 1935 to protect their position. The suggested clause is to the effect that specifications is not to be con- prejudice to the publishers' rights under the price determination and cancellation clauses of existing contracts and that the fulfillment of the specifications are not to be considered as a final acceptance by the publisher of the announced prices for 1935.



Common stock prices advanced to 93.3, according to the Dominion Bureau of Statistics indices for the week ended Nov. 29. Detailed indices are shown on page 5.

A Man's Gift!

Hespeler Craftsmanship

KNEE-HOLE DESK

$49.95

Cash Price

A gift that will pay dividends in convenience and comfort for many years to come. We consider it one of our most notable desk values! In walnut, completely finished so that it may be placed at any position in the room. It may be purchased on D.P. plan if desired.

MAIN FLOOR

EATON'S - COLLEGE STREET

Massey-Harris Seen in Improved Position

A. J. Pattison Jr. & Co. is circularizing clients with regard to the prospects of Massey-Harris Co. 5 per cent cumulative preferred stock on which dividends are 20 per cent in arrears. The company considers this stock an attractive purchase.

The company's banking loans, which exceeded two million dollars at the end of the last fiscal year, have been paid off. Bond prices have improved even though the company has not met the last three payments on sinking fund. There is due on this count $900,000 but the payment of bank loans is regarded as making the position better nevertheless. The income statement will show a considerable improvement over that of 1933, The Financial Post understands. The company has been able to bring back its cash from Australia.

CONSIDER THE IMPORTANCE OF

Style!

In selecting their merchandise to present to those seeking Christmas gifts, Birks-Ellis-Ryrie have seen to it that every article is not only of traditional quality, but also bears the imprint of style-rightness. This means much to you, the giver and is of first importance to the recipient.

BIRKS-ELLIS-RYRIE
LIMITED
DIAMOND MERCHANTS AND SILVERSMITHS
Yonge and Temperance Streets • • • Toronto

Our
Lady Gift Shopper
Will Help You

If you are encountering difficulties in selecting suitable Christmas gifts, our Lady Gift Shopper will gladly assist you in choosing those dainty things that women so much admire and appreciate, as well as gifts that would please the most masculine man.

Visit, write, or telephone our store, ask for, or address your letter to, our Lady Gift Shopper and forget your Christmas shopping worries.

GIFT SHOPPER AT OUR TORONTO STORE
Miss Yvonne Miller
Telephone Adelaide 9441

GIFT SHOPPER AT OUR MONTREAL STORE
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The Nation's Business

(Continued from page 1)

ways. In the first place, it is bearing a large share of local relief bills and in some special cases, 100 per cent of the cost. But the money is being spent and relief is administered largely by local organizations. In such matters, there should be a complete audit of every dollar of expenditures by the Dominion government officials.

In the second place, the Dominion government is making loans to the four western provinces to help them to meet their pressing obligations and to finance their own share of emergency and other expenditures. The Dominion government has not made any serious endeavor to check up on the purpose for which these funds are required or to follow through with any control upon the provincial budget. The advances are treated as loans and the fiction is maintained that they will some day be repaid.

• • •

IT IS unlikely, however, that any more than a small fraction of the advances will ever be repaid in cash to the Dominion treasury. Only a very rapid and sustained upswing in prices throughout the world would make these debts bearable by the people of the four western provinces. The western governments are taking the stand that they are entitled to this assistance from the treasury but that the Dominion government has no right to dictate the terms of their annual budget.

One can readily understand the reluctance of provincial governments to submit to federal dictation. They show no similar reluctance to accept advances from the Dominion government as banker. It would be more business-like, and would relieve the apprehension of the taxpayers, if some effort were made to establish a little more exactly the actual responsibility of the Dominion government in following through its advances with a study of their uses.

We have, in effect, joined Dominion and provincial credit in Canada today and yet made no attempt to establish an over-riding body to control public finance. The responsibility for the expenditure of money has been divorced from the source of the funds and this is fatal to sound financing in any democratic country.

NAT. SEWER PIPE INCREASES DEFICIT RETAINS LIQUIDITY

Lack of Construction Activity Baneful for Company

An operating loss of $63,641 was reported by National Sewer Pipe for year ended Oct. 31, 1934, as against a loss of $42,283 for the previous year. Sundry revenue reduced this to a net loss of $42,283 as against $7,653 in 1933. As a result the surplus carried forward from a year ago of $17,248 is entirely wiped out and replaced with a deficit of $24,516.

Income and Surplus Account
Years Ended Oct. 31

	1934	1933
	$	$
Operating deficit	63,641	42,283
Int. and other inc.	26,913	34,630
Net loss	36,728	7,653
Add: Cl. A divds.	16,657	67,049
Common divds.	......	7,979
Deficit for year	53,385	82,681
Less: Prev. surplus	17,248	117,704
Accts. recovered	1,740	1,071
Prof. on bonds	9,883	......
Add: Addit. inc. tax	2	1,383
Adj. deprec., depletion	......	17,463
Deficit forward	24,516	*17,248

*Surplus.

Relief Work

"The company has experienced another unprofitable year," states Ryland H. New, president in his annual report. The hope expressed a year ago, that a construction programme supplying work for the unemployed, by both the federal and provincial governments, to replace the policy of paying out direct relief, has not to date materialized as affecting the company's business."

Working Capital

	1934	1933
	$	$
Current assets	947,470	986,737
Current liabilities	13,342	24,052
Working capital	934.128	962,685

In the current assets cash was down from almost $60,000 to about $38,500 and call loans were up from $58,000 to $234,600. This change was offset by a reduction in government bonds from $506,124 in 1933 to $234,601. Accounts receivable at $44,238 and inventory at $323,178 showed little change. Current liabilities of $18,341, all accounts payable, were slightly down from a year ago.

Reorganized Paramount Pub To Sue Directors

On petition of Charles D. Hilles, Eugene W. Leake and Charles E. Richardson, trustees of Paramount Publix Corp., United States District Judge Alfred C. Coxe has signed an order authorizing and directing the trustees to institute a suit or suits against certain officers and directors of Paramount and others.

The order authorizes the trustees to sue: to compel certain directors to account for any unreasonable compensation paid by Paramount during the years 1927, 1928, 1929 and 1930 to certain executives of Paramount; to account for the issuance and delivery of certain shares of Paramount stock to certain officer-directors under an Employees' Stock Purchase Plan; to account for any loss incurred by Paramount from the purchase and sale by it of shares of its own stock in 1929 and 1930; and to get an accounting of certain shares of Paramount issued to certain officers and directors as part of the Employees' Stock Purchase Plan.

The Plan of Reorganization of Paramount, which will shortly be proposed, will make provision for the carrying on of these suits, subject to the orders of the Court, for the benefit of the new company, it is understood.

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BREWING CORP. PREF. DIVIDEND WILL CONTINUE

President Bases Expectation on Results of Last Quarter

Brewing Corp. of Canada's earnings for the quarter ended October 31, 1934, the first full quarter of sales under the new laws permitting distribution through hotels and clubs, permitted a profit of $156,249 against dividend requirements on 162,369 preferred shares for the quarter of $121,777. This compares with a loss of $26,810 for the same quarter of 1933 and a net profit of $131,095 for the quarter ended July 31, 1934.

Because hotels and clubs all over the province wanted to put in complete stocks for commencing sale under the new conditions in July, actual operating profit is shown higher for the summer quarter but taxes were higher then and so net profit was less. The situation leads the president, E. P. Taylor, to say in the quarterly report to shareholders that the general volume had been up to expectations and that "it appears that the profits of your company in the next year will be in excess of preferred dividend requirements."

"More substantial profits," he continues, "depend on the success of the efforts of your management in obtaining a larger share of the available business in Ontario." That may be regarded as intended for holders of common stock, which had earnings of six cents a share only.

Comparative Earnings Statements*

	Quarter ended Oct. 31, 1934	Quarter ended July 31, 1934	Quarter ended Oct. 31, 1933
	$	$	$
Profit	765,489	849,628	386,707
Taxes	508,184	618,032	326,308
	257,305	231,596	60,399
Misc. inc. ..	9,236	7,427	4,773
	266,541	239,023	65,171
Interest	18,320	18,804	20,735
Deprec.	91,972	89,124	71,246
Net profit .	156,249	131,095	†26,810
Working Capital Accounts*			
Current assets:			
Cash	137,547	172,578	43,761
Invests. ..	68,561	79,529	104,389
Receiv. ..	251,553	428,380	189,284
Invent. ...	1,792,958	1,786,750	979,844
Total ..	2,250,619	2,467,237	1,317,277
Current liabs.:			
Payables .	551,651	661,648	311,232
Pay. to O'Keefe's	374,770	......	......
Bank (sec.)	......	295,000	294,725
Total ...	926,421	956,648	605,957
Ratio	2.43—1	2.58—1	2.17—1

*Subject to audit. †Deficit.

The last payment on the $2,000,000 purchase of O'Keefe's Brewery has since been paid.

This improved position has been made partly possible by increased sales of preferred stock since a year earlier. Even in the quarter preferred shares increased by 17,619 to a total of 162,369 and common shares by 2,200 to a total of 649,516. The balance sheet valuation of all stock was increased by $271,052 to $4,846,606 and the capital surplus and distributable surplus by $624,675 to $2,471,597. Apparently the company was successful in its campaign to induce minority shareholders of subsidiaries to exchange for Brewing Corp. stock as minority interest in subsidiary companies in the quarter decreased by $400,607 to a present total of $97,005.

Reorganization Galt Brass Co. Again Mooted

Bondholders of Galt Brass Co. are being circularized by H. B. Housser & Co., Toronto brokers, with the object of securing majority support of a reorganization scheme. Since the company defaulted, failing to pay interest on the $85,500 bonds outstanding on May 1, 1932, the business has been operated by the banks. It is understood that the latter hold about $25,000 bonds as collateral.

The reorganization proposed calls for an exchange of the present 7½ per cent, twenty year bonds due 1941, for a new bond, carrying the same lien rights, but bearing interest at the rate of five per cent.

"The preferred and common shareholders of the company," reads the statement of Housser & Co., "are being wiped out, in exchange for common stock which is being underwritten to provide working capital, and the bondholders are to be given one share of common stock as a bonus with each $100 of bonds to compensate for their loss of interest."

Housser & Co. claims that 65 per cent of the bondholders have already signified acceptance of the proposal, but an additional ten per cent is needed. It is understood that 25 per cent of the outstanding bonds have been deposited with the Royal Trust Co., Toronto, under the reorganization plan, but the response has been rather slow, due to some extent to the fact that the bonds are in bearer form and widely scattered.

CAN. IND. ALCOHOL FINANCIAL REPORT REVEALS CHANGES

Loss of Nearly $600,000 After Charges in 1933-1934

McNISH LIABILITY

From Our Own Correspondent

MONTREAL. — Amendments to the Companies Act, making it necessary for corporations to show their financial position in greater detail, have resulted in a more complete picture of the financial affairs of Canadian Industrial Alcohol Co.

The report for the year ended September 30, 1934, shows gross income of $440,548. After making provision for all consolidated charges, including interest on bank loans and on the Robert McNish debentures, there was a consolidated loss for the year of $558,529. Comparative figures for the preceding year are not available, as the report for the fiscal year 1933 was not on a consolidated basis. The general statement for that year, however, showed a deficit for the year of $21,565.

Consolidated Deficit

The consolidated statement shows that Canadian Industrial Alcohol brought forward a debit balance from 1933 of $3,432,077. To this was added excess of deficits of subsidiary companies over amount included in the statement of $2,495,899, bringing the total to $5,927,976. Other additions to the consolidated deficit statement include write-off on maintenance of stock of spirits, adjustments in respect to cancellation of sales, provision for depreciation in 1932 and 1933 on the parent company's plant, consolidated loss for year, the balance of discount on Robert McNish debentures, making the total consolidated deficit as at the end of the last fiscal year $7,104,352.

Bank Loans Lower

The consolidated balance sheet of Canadian Industrial Alcohol as at September 30, 1934, reveals in greater detail the company's financial affairs. The current liabilities are shown at $1,572,752. Of this amount, secured bank loans totalled $1,120,700. The latter contrasts with $2,160,820 at the end of the 1933 year.

The statement shows that the National Canadian Distillers Inc. has deposited with the company $500,000 guarantee of fulfillment of contract, this amount to apply on final payment March 31, 1937.

Loss on McNish

The McNish debentures, outstanding to the extent of $4,136,629, are included in the consolidated statement. It is stated in the auditors' report that the net assets and book values of Robert McNish Cons. available to meet the debentures amount to $1,263,159, leaving a deficiency of $2,883,469. Consequently it appears that substantial payments under the guarantee will have to be made by Canadian Industrial Alcohol Co.

The statement shows no change in the outstanding capital stock, for which the company received a consideration of $13,482,860. After deducting the consolidated deficit of $7,104,352, the shareholders' account stands at $6,378,507.

Among the assets, consolidated current accounts are shown at $592,286, largely represented by accounts receivable. Amounts due by directors of Robert McNish are set forth at $16,634.

Stocks at Cost

Inventories of the parent company and its subsidiaries have a book cost value of $6,798,269. This compares with $6,085,529 a year ago.

Investments shown in the consolidated balance sheet include a 50 per cent interest in National Canadian Distilleries Inc. at a cost of $172,042. Investments in Alexander MacDougall & Co. were written down to $1.

Segregate Goodwill

Fixed assets, including those of subsidiary companies, stand on the books at $4,973,791, against which reserve for depreciation of $2,350,768 has been set up, leaving a net amount of $2,623,023.

Goodwill, trademarks, etc., are carried at $2,292,816, as against $2,242,180 shown in the last report.

Scott on Operations

In his report to the shareholders, Gordon W. Scott, president, had the following to say in part:

"While the result of the year's operations has been disappointing, it is hoped that material improvement will be shown during the coming year. This hope has some justification, as the result for the first two months of our current year—namely October and November, 1934—shows a substantial improvement over the corresponding period of last year.

"It might also be observed that your inventory of spirits on hand is conservatively valued, and may be expected to realize considerably more than the value at which it appears in the balance sheet.

"It was expected that the company's stock of approximately 7,000,000 American proof gallons of American type whiskies would be substantially reduced during the year. This hope was not realized, due, in part, to uncertainty regarding the tariff policy of the United States government, which has caused potential customers in that country to adopt a cautious policy with regard to purchase commitments. For the same reason the contract for the sale of your company's stock of American type whisky made with National Canadian Distillers, Inc., in which your company owns a 50 per cent interest, has not been fulfilled, according to its terms. Your directors are giving their close attention to the problem of liquidating whiskies of this type, and there are indications that conditions are presently more promising. A demand seems to be developing for whiskies blended with fully matured spirits and this is prospectively of considerable advantage to your company.

"A claim was entered some time ago by Messrs. J. R. Nelson and J. E. Richards for commission on the sale of your company's bulk merchandise. This claim, in the opinion of our legal advisers, would seem unwarranted and is being contested."

Supersilk Adds Three Machines, Earnings Gain

As 1934 approaches its close it becomes certain that Supersilk Hosiery Mills, Ltd., will show better profits than in 1933, which was slightly in advance of 1932.

During the first six months of 1934 there was a marked advance on the same period of 1933 but as the last half of 1933 had shown a great advance on operations of the first half it was not expected that the last half of 1934 would show much, if any, improvement over the same period of 1933. It is understood, however, that even in the last half of 1934 the company has done better than in 1933. This means a lot to the company as it usually does good business in the last half of the year.

Recently the company added three machines at a cost of $80,000 to manufacture a new brand of high quality ladies hosiery. It could finance that easily from its own resources as the balance sheet at the end of 1933 showed cash and negotiable securities alone at $91,000 while the company had no bank loans. Current assets were then 8.18 times current liabilities of $34,275.

ROBERT McNISH LOSS IS $366,722 FOR PAST YEAR

Industrial Alcohol Subsidiary Reports Details of Operations

From Our Own Correspondent

MONTREAL.—Robert McNish & Co., subsidiary of Canadian Industrial Alcohol Co., reports a loss during the year ended September 30, 1934, of $366,722. This is the first statement publicly issued by the company for some time and comparative figures for the preceding year are not available.

At the end of September, 1933, Robert McNish had a deficit account of $2,578,364. Adjustments made during the year, including the writing off of $332,436 representing the balance of discount on debentures, and $74,118 on accrued rents of prior years on stocks of spirits, brought the deficit up to $2,984,918. To this was added the loss during the year and an adjustment on exchange of $246, bringing the total deficit as at September 30, 1934, to $3,351,394.

Many Changes Made

The balance sheet gives effect to a write-down of the investment in Alexander MacDougall & Co. to $1, the writing off of the balance of discount on debentures and provision for the accrued liability in respect of rents on stocks at distilleries, all of which were considered advisable before including the balance sheet of Robert McNish in the consolidated balance sheet of Canadian Industrial Alcohol Co.

The statement as at September 30, 1934, shows current liabilities of $546,953. Against this are current assets totalling $1,355,799. The latter figure includes stock in trade at a cost of $1,077,235.

The outstanding debenture stock, guaranteed by Canadian Industrial Alcohol Co., amounts to $4,136,629. The issued capital comprises 6,528 cumulative preference shares of £1 each and 10,000 ordinary shares valued at £1 each.

In addition to current assets and the deficit account, the asset side of the balance sheet carries investment in Alexander MacDougall & Co. at $1, while plant, property, equipment, etc., less reserve of $20,397 for depreciation, stands on the books at $56,713.

Ontario Hydro Asks Bids $10,000,000 3½% Bonds

Hydro-Electric Power Commission of Ontario has invited tenders up to 2 p.m. Dec. 11 for $10,000,000 of 3½ per cent debentures. Bids may be made alternatively on 8-year or 15-year bonds; the latter callable after 12 years. The bonds will be guaranteed as to principal and interest by the province of Ontario.

The issue is to be made to refund $8,000,000 of 5's maturing Jan. 1 which were issued in connection with the acquisition of Dominion Power & Transmission Co., and to restore reserves which had been used temporarily to retire Electrical Development Co. 5's which matured March 1, 1933.

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MONT. TRAMS WILL BE PAID FULL AMOUNT

(Continued from page 1)

therefore, that the commission may extend the number of such cars in service.

City Rental Uncertain

The City of Montreal, which is in financial difficulties, does not look forward to the prospect of having its $500,000 rental cut off. Undoubtedly there will be a shortage of payments for 1934. It is too early to forecast what may happen in 1935, but if revenues do not improve it is obviously out of the question to make the payment with no funds in the treasury.

Have the Power

Under the terms of the contract the commission is empowered to increase the tramway fares to bring revenues up to a point where they will cover charges. This power has been exercised in the past. It was suggested a short time ago that there be a revision of fares, but the suggestion was opposed in local political circles.

Hard pressed for revenue the city may disregard the political consequences and ask the commission to increase fares. It is not clear as to whether or not the city can force the commission to advance fares, but if there is no improvement in revenues during 1935 then the city will be without its $500,000 rental.

Behind Once Before

Deferred payment of rental to the city would not constitute a precedent. From 1918 to 1921 the commission was in arrears to the extent of nearly $1,600,000. Commencing in 1921, payments were initiated and in a few years time the arrears were liquidated.

As mentioned in last week's review there has been talk of a revision of the contract to reduce payment on the company's capital from six to five, and even to four per cent. This suggestion is not likely to get far as the contract between the city and the company is written into the statutes of Quebec and could only be changed by the provincial legislation.

City Sought Contribution

Not long ago representatives of the city, commission and company met to discuss the situation. It was suggested by one of the city representatives that the company might be willing to contribute the approximate $300,000 to make up the difference between actual income and the amount owing to the city. It was pointed out that such a move would discriminate against the interests of the bondholders and shareholders of the tramways company who had contributed the necessary capital for plant and operations. Further the tramway security holders, who were largely residents of the city, would do their share in meeting any extra charge levied by the council to improve the city's finances, but other companies, within the city should make their proportionate contribution.

It was also pointed out that the shareholders of Montreal Tramways Co. had not shared in operating profits to any greater extent than the city. From 1918, when the contract was made, until the end of 1933 the commission had paid to the city in the form of rentals $7,942,694. On the other hand the company had paid out in dividends to its shareholders $7,956,589.

FEATURES
in the December issue

THE CANADIAN CHARTERED ACCOUNTANT

The Natural Business Year.
Some Phases of Income Tax.
Special Features in Real Estate Accounting.
Accounting for a Terminal Elevator.
Conspiracy Charges in Relation to a Prospectus—an English case.
Verifying Investments in Mortgages.

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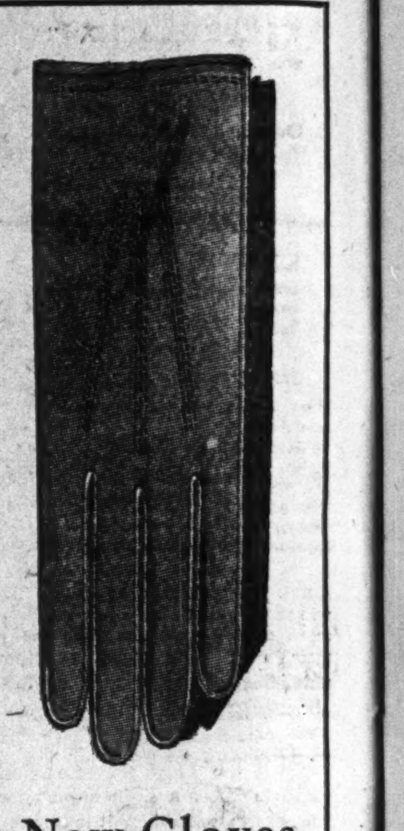

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Simpson's—Street Floor

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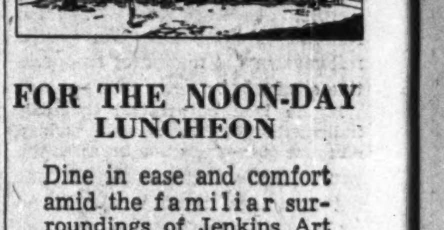

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BRUCK SILK MILLS EARNINGS HIGHER DURING PAST YEAR

New Capital is Reflected in Balance Sheet Position

From Our Own Correspondent

MONTREAL—Increased sales volume and gross trading profits during the fiscal year ended October 31, 1934, find reflection in the financial statement of Bruck Silk Mills, which shows earnings on the capital stock of $1.90 a share. This is in contrast with $1.78 a share in 1933 and with 30 cents a share in 1932, despite the increase of the number of shares outstanding.

During the past fiscal year sales increased in volume by 258,127 yards and in value by $157,767. Gross trading profits increased to $526,052 compared with $477,831 in the previous year, and with $306,496 in the 1932 fiscal period.

Prospects Are Good

As far as the current year is concerned, I. I. Bruck, president, says that prospects hold out promises for continuation of substantial profits and further development of business.

Particulars of the profit and loss accounts for the past two years follow:

Years Ended October 31	1934 $	1933 $
Gross profit	526,052	477,831
Other income	44	44
Total income	526,096	477,875
Exps., directors' fees, etc.	195,531	190,210
Mortgage int.	......	......
Bond interest	30,134	31,034
Bond disc. amort.	2,000	2,000
Depreciation	84,204	76,504
Avail. for divds.	214,227	178,127
Dividends	112,500	....
Surplus for year	101,727	178,127
Prev. surplus	552,375	411,970
Combined surplus	654,102	590,097
Reserves, etc.	29,994	37,722
Earned surplus	624,108	552,375

Show Stronger Position

Bruck Silk Mills balance sheet as at October 31, reflects the additional capital raised through the issue of stock, the greater volume of business, and the addition of surplus earnings. The statement shows assets totalling $1,940,889 as against $1,418,819 a year ago.

Among liabilities, current accounts are shown at $60,822. This represents a small increase as compared to that reported on October 31, 1933.

The funded debt of the company was reduced during the year from $463,600 to $454,100. The reserves for contingencies remained unchanged at $14,359.

Issue More Stock

The capital stock is now carried on the books at $787,500, represented by 125,000 shares no par value. The previous report showed the capital stock at $337,500, covered by 100,000 shares. The earned surplus at the end of the 1934 fiscal year amounted to $624,108, as against $552,375 a year ago.

Cash Position Better

Among the assets, current accounts show a marked improvement as compared with a year ago, amounting to $891,357 compared with $471,902. Cash and call loans increased from $26,545 to $144,571. Accounts receivable advanced from $97,400 to $247,795, while inventories increased about $145,000 to $460,373.

Plant investments, less depreciation reserve of $436,778, are shown on the books at $933,684. During the year, expenditures on buildings and equipment totalled $185,677. In the 1933 report, the property account was shown at $937,717, which included trade marks, processes, etc. The latter item is shown separately in the 1934 account at $105,176.

MERGER TO MAKE 4 MUNICIPALITIES INTO ONE BIG CITY

Ontario to Unite Windsor, Walkerville, East Windsor and Sandwich

Province of Ontario will introduce legislation to weld Windsor, Walkerville, East Windsor and Sandwich into one city of nearly 100,000 population at the next session of the legislature according to an announcement early this week by Premier M. F. Hepburn.

It is planned to create the new merged city of Windsor by July 1, 1935. Costs of amalgamation are to be borne by the province.

A Royal Commission of five will be appointed to study every aspect of the proposed municipal merger before the house rises. The Commission will examine the finances of the four municipalities and will be asked to recommend measures of refinancing that will envisage restoration of their solvency.

Members of Commission

Judge John J. Coughlin, Windsor, will be chairman of the Commission. The other four members will be Dr. Horace L. Brittain, secretary of the Ontario Municipal Association; J. Clark Keith, general manager of the Essex Border Utilities Commission; S. E. McGorman of Walkerville, and Herbert S. Cummings, Deputy Minister of Municipal Affairs. James Lowther will be secretary.

Voters of Windsor and East Windsor have approved of the proposed merger. Mayor A. J. Reaume of Sandwich has expressed his approval. Mayor Russell A. Farrow of Walkerville disapproves of the scheme and predicts that the town's voters will reject it at elections on Dec. 10. Walkerville is the only one of the four municipalities to have avoided default.

Whether or not Walkerville approves the scheme, the provincial authorities are understood to plan to push it through. It is felt that economy of government in the area will result, and that local efforts at amalgamation having collapsed, it is the province's job. The government, says Mr. Hepburn, believes the scheme will be the "social and economic salvation of the border cities."

Falconbridge Nickel—Directors of Falconbridge have declared a dividend of 7½ cents per share payable Dec. 20 to shareholders of record Dec. 11. This brings disbursements for the current year to 27½ cents per share as compared with 25 cents in 1933.

Next Dividend of Fanny Farmer Double Old Rate

A dividend of 6¼ cents together with an extra dividend of the same amount has been declared by directors of Fanny Farmer Candy Shops payable in U. S. funds on Dec. 31 to shareholders of record Dec. 15. This applies on the 400,000 new common shares of the company.

It is at the rate of 50 cents per annum or on a basis of $2 per share on the old shares which were split one old for four new with sanction of shareholders last September. Annual dividends on the old shares were a dollar in every year since 1928 with the exception of 1932 when 50 cents was paid.

For the ten months ended Oct. 31, 1934, profits of the company before taxes and preferred dividends were reported at $253,439 as compared with $80,463 for the corresponding period in 1933.

TWO COMMITTEES SEEKING CONTROL TRAYMORE BONDS

One Formed by Bondholders Claims 50 p.c. Control

Two committees seek control of Traymore Ltd. bonds.

This company, which operates a chain of six restaurants located in Montreal and Toronto, went bankrupt last July, and since then little information has been available regarding operations.

Bondholders Organize

It was because of this lack of information for bondholders, it is stated, and at the request of a large section of the bondholders that one of these committees was formed. This consists of H. G. Cooper, a bondholder, L. M. St. B. Collins of Collins, King & Co., Toronto investment firm, and Fred Page Higgins of Fred Page Higgins Co., chartered accountants, Toronto.

Claims Control

The Financial Post is informed that over 50 per cent of the outstanding bonds are controlled by this committee and in the near future a plan of reorganization will be drawn up and presented to the bondholders. Owing to lack of information from the receiver, nothing very definite can be decided, it is stated. Members of this committee, however, are emphatic that their plans will only include the bondholders, they having no interest in the claims of the preferred or common shareholders. F. B. Welford is secretary of this committee and the Canada Trust Co., Toronto, is depository.

At Request of Receiver

The other committee is made up of Ernest A. Cousins, a director of the company at the time of bankruptcy, George W. Essery, said to be a fairly substantial bondholder living in Toronto, and A. G. MacKenzie of the investment firm of the same name.

According to its letter to the bondholders this committee was formed at the request of the receiver. It proposes new five per cent bonds in the place of the present 7's and would extend maturity from 1935 to 1955 with no other change in the present status of these bonds.

"It was through Mr. Mackenzie's efforts that part of the interest due on Nov. 1 was paid," states the letter to bondholders, "otherwise the company would have defaulted and paid no interest whatever."

The payment of interest referred to was of 1¾ per cent. The remaining three-quarters of one per cent of the Nov. 1 coupon will be paid as soon as the reorganization is completed, according to the letter of the latter committee.

Heavy Losses

Not since 1931 has Traymore shown a profit after depreciation. For the year ended Dec. 31, 1933, there was a net loss of $46,280 after about half the usual depreciation, reducing surplus to $7,769. Current liabilities exceeded current assets by $61,857. In addition to capital, there were series A bonds outstanding of $141,800 and series B bonds of $100,000. The latter were purchased by G. G. Plaxton and E. A. Cousins for slightly in excess of $13,000 and are understood to have been resold to the company at cost. There are also mortgages on real estate of almost $200,000. While the mortgage was on the Toronto premises of the Savarin restaurant of the company, it is also understood to be a first lien on other assets. In the last annual report fixed assets, less reserve, were valued at $1,215,345.

While nothing definite is available regarding current earnings, it is understood that competition is still serious and recent increases in the costs of raw materials have not been offset by higher prices of meals served. It is probable, however, that there has been some slight increase in patronage.

WESTERN GRAIN ASKS ALTERATION OF SINKING FUND

Support of Large Bondholders Expected to Carry Relief Plan

Holders of the six per cent first mortgage bonds of Western Grain Co. have been advised of a meeting at Winnipeg on Jan. 23, 1935, to consider a resolution releasing the company from meeting the balance of sinking fund obligations on Dec. 31, 1934, and the payments falling due on Dec. 31, 1934, 1935 and 1936.

Representatives of large bondholders who are in close touch with the situation inform The Financial Post that the resolution to modify the sinking fund provisions will have their support. Hence, it is considered likely that the scheme will be accepted.

Must Defer Dividends

The proposal to authorize release from full sinking fund payments is conditional upon the company undertaking not to pay any dividends on its preferred or common shares until the full original sinking fund has been paid. Bondholders may obtain the right to vote at the meeting by securing certificates of deposits for their bonds from any trust company or bank.

CHAMPLAIN OIL HEAD SURVEYS CONSOLIDATION

Harry Snyder Tells Progress Made Since Company's Inception

From Our Own Correspondent

MONTREAL. — Steps taken to bring about uniformity in the operations of Champlain Oil Products, since the establishment of the company late in 1932, were outlined to the shareholders at the annual meeting by the president, Harry Snyder.

In describing the consolidation efforts of the management, Mr. Snyder said in part:

"Your company began operations on December 28, 1932, and at that time through the issuance of capital stock acquired the following companies: LaSalle Petroleum Refinery Limited, Automobile Owners' Association Limited, Excel Petroleum Limited, Loyal Oil & Gas Limited, Sylvestre Oil Company, Limited.

"Subsequent to the acquisition of the aforementioned companies, United Auto Service Limited, R. Hotte Oil Company Limited, and Adanac Oil & Gas Limited, were acquired, and during the period covered by the financial statement Eastern Oil Company Limited, National Oil & Gas Limited, as well as the assets of Shawinigan Oil & Gas Limited and J. Forget were acquired. In addition thereto, approximately $146,000 was expended in permanent plant and other properties, the whole without additional financing and out of working capital.

Create Sales Company

"In order to increase efficiency in marketing, service and administration and to establish a uniform system of bookkeeping, filing and accounting, all subsidiary companies (except automobile associations) were merged, in so far as management and operation were concerned, into Champlain Oil Sale, Limited, a subsidiary company formed especially for the purpose.

"Uniformity of distribution through service stations and dealers' outlets has been established and your company now owns or controls service stations and has dealer outlets, all aggregating approximately 740. These gasoline outlets receive their supplies through 17 bulk storage plants, several of which have been established in new districts. Delivery of products to the retail and consumer trade is handled by 55 motor trucks owned by the company and ten additional trucks owned by our commission agents.

New Bulk Plants

"New bulk plants have been strategically placed at St. Agathe, St. Scholastique, Valleyfield, Shawinigan Falls, St. John and Epiphanie. Distribution and expansion are being co-ordinated so that eventually all available markets will be closely linked with our bulk and distributing units.

"The period covered by the present financial statement is almost of sufficient duration to exhaust the pains and aches incident to consolidation, but your company has not been in operation for a sufficient length of time to render fully effective the benefits to be derived therefrom.

Crude Prices Higher

"The effect of the N.R.A. has been to increase the price of crude oil but there has not been a proportionate increase in the retail price of gasoline in Canada. In spite of the general decline in the sale of petroleum products during the past two years, your company has been able to maintain its gallonage on a fairly constant level.

"While in certain instances reduction of wages and number of employees was found necessary, in general, the average wage has been increased and working hours and conditions bettered."

The balance of the meeting was routine in character, with the existing directors being re-elected and Lucien Beauregard, K.C., and Ernest Savard, being added to the board.

Living People

While a very important part of a well organized trust company's business is the management of estates, it renders to an even greater extent useful services to living persons.

Let us explain some of the ways we could serve you.

CROWN TRUST COMPANY
EXECUTORS TRUSTEES AGENTS

A Conservative Trust Company for the Public's Service.

Crown Trust Company
393 St. James Street, Montreal

New Issue

$6,000,000

Maclaren-Quebec Power Company

Thirty-Year 5½% First Mortgage Sinking Fund Bonds

Series "B"

This completes the authorized outstanding amount.

Dated September 1, 1934. Due September 1, 1964.

Principal and semi-annual interest (March 1 and September 1) payable in lawful money of Canada in the Cities of Halifax, Saint John, Quebec, Montreal, Ottawa, Toronto, Winnipeg, Regina, Calgary and Vancouver. Redeemable on any interest payment date in whole or in part for Sinking Fund or otherwise at the option of the Company on 60 days' notice at 105% to and including September 1, 1939; and thereafter at 103% to and including September 1, 1949; and thereafter at 102% to and including September 1, 1954; and thereafter prior to maturity at 101%; in each case with accrued interest to date of redemption. Coupon bonds registerable as to principal only in denominations of $1,000 and $500. Fully registered bonds in denominations of $1,000 and authorized multiples thereof.

The Supplementary Trust Deed will provide for an annual cumulative sinking fund for the Series "B" bonds commencing September 1, 1939, calculated to retire 50% of the bonds of that series by maturity. Under this sinking fund bonds will be retired annually at or below redemption prices, or, failing this, will be redeemed by lot.

Trustee: The Toronto General Trusts Corporation.

The following information has been supplied to us by Mr. Albert MacLaren, President of the Company:

CAPITALIZATION

(Upon completion of this financing)

	Authorized	Issued
First Mortgage Sinking Fund Bonds (closed mortgage)	$18,000,000	......
5½% Series "A" (due February 1, 1961)	......	$12,000,000
5½% Series "B" (due September 1, 1964)—this issue	......	6,000,000
Common Shares (No Par Value)	250,000 shares	50,000 shares

In addition to the above, the Company contemplates authorizing $6,000,000 principal amount of Second Mortgage Bonds. It is estimated that the proceeds of $4,000,000 of such Second Mortgage Bonds will be sufficient to complete the Company's present construction program.

THE COMPANY

Maclaren-Quebec Power Company, incorporated under the Laws of the Province of Quebec, owns and operates two power plants on the Lievre River in the Province of Quebec, within 30 miles of Ottawa and 105 miles of Montreal. At High Falls the Company completed in 1930 an installation of 86,000 electrical horsepower (E.H.P.). At Masson Falls the Company completed in 1933 an installation of 130,000 E.H.P. On July 1, 1933, the Company commenced delivery of the first block of power under its contract with The Hydro-Electric Power Commission of Ontario referred to below and is now delivering 40,000 E.H.P. thereunder.

At the High Falls plant the power house and dam were designed and constructed so as to enable the installation there of a total of 115,000 E.H.P. by the construction of a penstock, turbine and generator for the remaining unit of 29,000 E.H.P. The completion of this additional unit will give the Company a total installation at the two plants of 245,000 E.H.P. This additional installation does not require to be completed until the latter part of 1936, when The Hydro-Electric Power Commission of Ontario takes the full amount of power under its contract, namely 125,000 E.H.P.

The Company's waterpower rights on the Lievre River are all owned in full ownership except waterpowers permitting an installation of 35,000 E.H.P., which are held under emphyteutic leases from the Government of the Province of Quebec, extending to the year 2004.

When The Hydro-Electric Power Commission of Ontario is taking the full amount of power under its contract from November 1, 1936, it is estimated that the earnings from this contract alone will more than pay operating expenses and interest on both the First Mortgage Bonds of the Company and the above-mentioned $4,000,000 Second Mortgage Bonds.

Upon the completion of the Company's installation to 245,000 E.H.P. the total amount of First Mortgage Bonds authorized and issued will be less than $74.00 per E.H.P.

POWER CONTRACTS

Maclaren-Quebec Power Company has a contract with The Hydro-Electric Power Commission of Ontario for 125,000 E.H.P. extending to July 1, 1973, and at the present time 40,000 E.H.P. is being delivered under this contract.

Deliveries under this contract are to be made as follows:

July 1, 1933 (now being delivered)	20,000 E.H.P.
July 1, 1934 (now being delivered)	40,000 E.H.P.
July 1, 1935	67,000 E.H.P.
July 1, 1936	100,000 E.H.P.
Nov. 1, 1936	125,000 E.H.P. and annually thereafter until July 1, 1973.

The Power Company has also contracted with The James Maclaren Company Limited for 66,000 E.H.P. extending to January 1, 1971, the total amount of which The James Maclaren Company Limited has taken as from July 1, 1931.

SECURITY

The First Mortgage Bonds are secured by a first fixed and specific mortgage and charge upon all the real and immoveable properties and rights of the Company now owned or hereafter acquired, the two power contracts above mentioned, and the Company's rights in respect of the storage reservoir. The bonds are also secured by a floating charge on the undertaking and all other assets of the Company. Under the Trust Deed the charge thereof will be subject to the obligations of the Company under the contract with The Hydro-Electric Power Commission of Ontario and accordingly in the event of enforcement proceedings the Trustee as well as any purchaser of the undertaking must assume and perform these obligations but would have the benefit of the contract.

Claims for privileges (liens) in connection with the construction work have been registered against certain of the properties of the Company. These claims are being contested in the courts, but moneys estimated to be sufficient to provide for them, if substantiated, have been deposited with the Trustee for the Bondholders.

The total amount of bonds issuable under the Trust Deed is closed at $18,000,000. Upon completion of this financing there will be outstanding $12,000,000 Series "A" bonds, payable as to principal and interest in Canada, London, England, and New York; and $6,000,000 Series "B" bonds, payable in Canada only so that the total authorized amount of bonds issuable under the Trust Deed will be outstanding. The proceeds of this issue of Series "B" bonds will be used to retire bank loans incurred in connection with the Company's construction program.

EARNINGS

The Management of Maclaren-Quebec Power Company estimate revenues, operating expenses and earnings before bond and other interest and depreciation as follows:

Year beginning	Gross Revenue from Hydro	Gross Revenue from contract with The James Maclaren Co. Ltd.	Total Gross Revenues	Operating Expenses	Total available for bond and other interest and depreciation
December 1, 1933*	$ 425,000	$665,000	$1,090,000	$100,000	$ 990,000
December 1, 1934	768,750	550,416	1,319,166	125,000	1,194,166
December 1, 1935	1,242,500	600,000	1,842,500	150,000	1,692,500
December 1, 1936	1,875,000	600,000	2,475,000	200,000	2,275,000

*The Company's fiscal year ends November 30.

Annual interest requirements on $18,000,000 First Mortgage 5½% Bonds (Series "A" and Series "B")—exclusive of premium, if any, on interest on Series "A" Bonds paid in London or New York.... $ 990,000

These bonds are offered for sale, when, as and if issued and received by us, and subject to the approval of Messrs. Meredith, Holden, Heward & Holden, as to the incorporation and organization of the Company, the creation and issue of the bonds, and as to franchises and water rights, and of Aime Geoffrion, Esq., K.C., as to the herein referred to contracts for the sale of power, and of Arthur G. Slaght, Esq., K.C., as to the contract for the sale of power to The Hydro-Electric Power Commission of Ontario, and of Messrs. Aylen & Aylen as to titles to immoveable properties and rights.

PRICE: 100 and accrued interest, to yield 5½%

A circular fully descriptive of this issue may be had upon request from your dealer

It is expected that Trustee's interim certificates will be ready for delivery on or about December 10th, 1934.

R. O. Sweezey & Co. Limited
McLeod, Young, Weir & Co. Limited
McTaggart, Hannaford, Birks & Gordon Limited
Bell, Gouinlock & Co. Limited
Hanson Bros. Inc.
R. A. Daly & Co. Limited
Greenshields & Co. Inc.
Cochran, Murray & Co. Limited
Griffis, Fairclough & Norsworthy Limited
W. C. Pitfield & Company Limited
J. L. Graham & Co. Limited
Aird, Macleod & Co.
Williams, Partridge & Angus Limited
Gairdner & Company Limited
Ernest Savard Limitee
Melady, Sellers & Co. Limited

The statements contained in this advertisement are not guaranteed, but are based upon information we believe to be correct and on which we are relying in the purchase of these Bonds.

Utilities and Transportation

N. B. TELEPHONE STOCK OFFERING MEETS APPROVAL

Will Use Proceeds to Retire Bank Loan — Investment Reviewed

From Our Own Correspondent

MONTREAL. — New Brunswick Board of Public Utilities has authorized the New Brunswick Telephone Co. to issue 52,860 shares of additional capital stock of a par value of $528,600. This stock, as forecast in The Financial Post two weeks ago, will be issued on a ratio of one new share to ten old shares, and offered first to shareholders. Small shareholders will be given fractional participating rights.

Proceeds of the additional issue of stock are required for the purpose of paying off bank loans of the company aggregating $550,000, which had been used up to September 30, 1934, for additions and betterments to the company's plant.

Capital Investment

In giving its approval to the new stock issue, the New Brunswick Board of Public Utilities states that as a result of information supplied to it, following an investigation of the company's accounts by S. H. Mildram, of Boston, expert engineer and accountant, it finds that "New Brunswick Telephone Co. now has an investment in used and useful plant amounting to $6,691,136. To this should be added $320,000 allowed by the Board in 1921, for working capital, making a total capitalizable investment of $7,011,136. As compared with this figure, there is a total of $5,285,880 of the capital stock outstanding, which will present, including the premiums received on some of the stock, a total shareholders' investment of $5,356,711, the difference between the two figures representing the capitalizable investment and the shareholders' investment, or $1,654,425, which figure represents a portion of the company's present plant investment and working capital which has not yet been capitalized, on the chance that there are any outstanding securities of like amount in the hands of the public."

Hollinger Extends Contract With Can. Northern Power

From Our Own Correspondent

MONTREAL.—Hollinger Consolidated Gold Mines has extended its contract for power with Canada Northern Power Corp. for the period up to May 15, 1950. The original contract was signed on the same date in 1925 to expire on May 15, 1940. The arrangement recently concluded, therefore, extends the contract for a further ten-year period from the original date of expiry and carries with it the option for further extended periods of five years each.

At present Hollinger Gold power load amounts to about 16,000 h.p. These requirements are supplied from nine separate power plants which Canada Northern Power operates in the form of a bridge system. There are direct power lines leading into Canada Northern substation at Schumacher, which supplies the Hollinger mine, from four separate directions, furnishing a total nine circuits.

Railway Earnings

Canadian Pacific

	1934	1933	Increase
October—	$	$	$
Gross earn. ..	12,752,349	11,984,497	767,852
Working exp.	8,651,670	7,926,050	725,620
Net earn.	4,100,679	4,058,447	42,232
Ten Months Ended October 31:—			
Gross earn. .	103,652,668	93,967,027	9,685,641
Working exp.	85,881,881	79,937,128	5,944,753
Net earn.	17,770,786	14,029,898	3,740,888

Note:—Since Jan. 1, 1934, included with working expenses, are all pension payments which are charged currently each month.

Canadian National

	1934	1933	Increase
October—	$	$	$
Gr. rev.	15,803,292	14,662,314	1,140,978
Op. exp.	12,993,863	12,119,728	874,135
Net rev.	2,809,429	2,542,586	266,843
Ten Months Ended October 31:			
Gr. rev.	137,766,001	122,878,594	14,887,407
Op. exp.	127,814,067	119,428,636	8,385,431
Net rev.	9,951,934	3,449,958	6,501,976

Public Utility Earnings

Jamaica Public Service

	1934	1933	Increase
October—	$	$	$
Gross earn.	66,381	64,921	1,460
Net earn.	26,341	24,848	1,493
Surplus after charges	17,315	15,299	2,016
Ten Months Ended October 31:			
Gross earn.	675,224	650,131	25,093
Net earn.	267,416	258,567	8,849
Surplus after charges	176,228	163,565	12,663

Jamaica Public Service Income Higher in October

From Our Own Correspondent

MONTREAL. — Jamaica Public Service reports consolidated gross earnings in October, 1934, of $66,381, as compared with $64,921 for the same period last year. After taking care of prior expenses, net earnings totalled $26,341, up from $24,848 a year ago. The surplus, after all senior charges, amounts to $17,315, as against $15,299 for October, 1933.

Cumulative returns for the twelve months ended October 31, 1934, show a gross income of $825,423, net earnings of $336,292, surplus after charges of $226,339. For the previous twelve months, gross revenue amounted to $795,039; net, $326,243; surplus after charges, $12,810.

GATINEAU POWER EARNINGS HOLD UP IN THIRD QUARTER

Interest Charges Covered on Much the Same Basis as Year Ago

From Our Own Correspondent

MONTREAL. — Gatineau Power Co. and subsidiaries report consolidated operating revenue and other income of $2,317,551 for the third quarter of 1934. This compares with $2,336,283 for the same period in 1933.

There is relatively little net change in the consolidated profit and loss account of Gatineau Power for the third quarter of 1934, as against the same period in 1933. The net revenue available for interest, depreciation and other charges, was $1,982,826, as against $2,021,132. After taking care of all senior charges, including depreciation and amortization, there was a balance carried forward to surplus of $504,167, compared with $529,490 a year ago.

Surplus Off Slightly

Comparative figures on consolidated earnings for the third quarter of 1934 and 1933 follow:

Quarter Ending September 30

	1934	1933
	$	$
Oper. rev. & other inc.	2,317,561	2,336,283
Net revenue	1,982,826	2,021,132
Int. on bonds, etc. ...	876,926	881,251
Balance	1,005,900	1,139,881
Interest on debs. ...	266,970	272,280
Other int., etc.	172,072	177,000
Deprec., amortiz.	162,691	161,111
Added to surp.	504,167	529,490

Bond Interest Covered

In the twelve months September 30, 1934, consolidated operating revenue and other income was $9,267,888, against $9,393,841 in the preceding twelve months. Net revenue, before interest, depreciation, etc., totalled $8,230,102. This compares with $8,229,809.

Net revenue of $8,230,102 in the past twelve months was two and one-third times interest on the company's first mortgage bonds. After deducting this interest, the balance of earnings was nearly four and a half times the interest on the company's 6 per cent debentures.

Comparative consolidated earnings are as follows:

Twelve Months Ended Sept. 30

	1934	1933
	$	$
Oper. rev. & other inc.	9,267,888	9,393,841
Net revenue	8,230,102	8,229,809
Int. on bonds, etc....	3,508,406	3,527,986
Balance	4,721,696	4,701,823
Interest on debs.	1,072,388	1,098,331
Other int., etc.	689,949	685,475
Deprec. amortiz.	646,569	667,841
Added to surplus	2,312,790	2,250,176

Saint John Elevator Leased to Canadian Pacific

From Our Own Correspondent

MONTREAL. — Arrangements have been entered into whereby the Canadian Pacific Railway will operate the new elevator and grain conveyors of the Saint John Harbor Commission, beginning on December 1 and continuing until the end of the 1934-35 season. This is the first season of operation for the large new structure of the Navy Island development.

Under the arrangements, Canadian Pacific will man the elevator and carry on all the operations of receiving the grain and delivering it to the ships. The plan also provides for an equal division of receipts and expenditures between the contracting parties. In addition the Canadian Pacific will maintain and operate the ten miles of new trackage laid in the Harbor Commisson area.

Forestry Service Building

Construction has begun on a permanent building for the Dominion Forest Service in the experimental station area at Fredericton and will be the first of half a dozen buildings to be set up in York and Sudbury counties.

CANADIAN HYDRO CURRENT REVENUE WELL MAINTAINED

Dividend on First Preferred Earned More Than Three Times

From Our Own Correspondent

MONTREAL. — Consolidated net revenue of Canadian Hydro Electric Corp., controlling Gatineau Power Co. and its subsidiaries, for the third quarter of 1934, was on approximately the same basis as in the corresponding period of 1933.

For the three months ended September 30, 1934, Canadian Hydro reports a total revenue of $2,323,944. This is in contrast with $2,351,048 for the same quarter last year. After taking care of operating expenses and other prior charges, there was a net income of $1,971,654 to take care of interest, depreciation and amortization, and dividends on the preferred stock.

The income statement shows that earnings on Canadian Hydro Electric first preferred amount to $4.63, or at the annual rate of $18.52 a share. This compares with dividend requirements of $6 annually. For the corresponding period of last year, the first preferred share earnings were approximately the same.

Comparison of consolidated profit and loss statements for the quarter ending September 30, 1934 and 1933, respectively, follows:

Quarter Ended Sept. 30

	1934	1933
	$	$
Revenue	2,351,148	2,380,483
Loss on exchange ...	27,204	29,435
Total revenue	2,323,944	2,351,048
Net	1,971,654	1,996,301
Interest, etc.	1,237,217	1,247,786
Deprec. and amortiz.	164,498	163,045
Balance	569,939	585,470

Revenue Holds Up

Cumulative returns for the fiscal year ended September 30, 1934, show consolidated operating revenue and other income of $9,411,065, as against $9,547,382 in the preceding twelve months. Net revenue before interest, depreciation, etc., total $8,149,481 compared with $8,101,006.

After deducting all charges including depreciation, earnings for the twelve months ended September 30, 1934, available for dividends, were $2,547,253, or $20.38 a share on the 6 per cent first preferred stock. This is in contrast with $2,450,719, or $19.61 a share, in the preceding twelve months' period.

Comparative figures on the consolidated profit and loss accounts for the twelve months ended September 30, 1934 and 1933 follow:

	$	$
Revenue	9,411,065	9,547,382
Loss on exchange ...	49,645	247,611
Profit on bonds & debent. redeemed .	192,422	265,067
Total revenue	9,553,842	9,564,858
Net	8,149,481	8,101,006
Interest, etc.	4,948,935	5,001,870
Deprec. and amort. .	653,293	648,417
Balance	2,547,253	2,450,719

CANADIAN PACIFIC OPERATING INCOME WELL UP ON 1933

Net Return of $25,000,000 Now Regarded as Possible

From Our Own Correspondent

MONTREAL. — Net operating income of approximately $25,000,000 for 1934 is indicated in the interim reports issued by the Canadian Pacific Railway. For the first ten months of 1934 the company reports a gross operating revenue of $103,652,668, expenses of $85,881,881, and a net revenue of $17,770,786. Compared with the corresponding period 1933 the returns for this year show an increase in gross of $9,685,641 and an advance of $3,740,888 in net. During the last two months of 1933 the Canadian Pacific Railway reported a net operating revenue of around $6,830,000. As the monthly returns so far this year have reported a consistent gain in net income, it is to be expected that the returns of the company for the full year may be as high as $24,000,000 to $25,000,000. This is exclusive of special income from investments, hotels, steamships, and other auxiliary services.

Net earnings for October at $4,100,679 were fractionally higher than those reported for the same month a year ago. Gross revenues for October, 1934, totalled $12,752,349 and operating expenses $8,651,670. For the same month last year the company reported a gross revenue of $11,984,497 and operating expenses at $7,926,050, leaving a net operating income of $4,058,447.

INVESTMENT SUGGESTIONS

To Yield from 3.45% to 7.41%

For the immediate re-employment of interest and dividends, or for the investment of new funds, we recommend the following securities which embody safety of principal, ready marketability, and good income return.

	RATE %	MATURITY	PRICE	APPROX. YIELD %
Dominion of Canada.............	3½	1949	100.60	3.45
Province of Nova Scotia..........	4½	1961	109.75	3.91
Province of Alberta..............	4½	1942	99.75	4.54
Province of British Columbia......	5	1935	100.75	4.03
Province of Manitoba............	4½	1956	99.00	4.58
City of Montreal................	4½	1947	100.25	4.48
Three Rivers Harbor Commission..	3	1937	95.00	5.48
Beauharnois Light, Heat & Power..	5½	1973	102.00	5.37
Canada Northern Power Corp.....	5	1953	98.50	5.13
Duke Price Power Co............	6	1966	97.25	6.20
Canadian Pacific Rly. Convertible*.	4	1949	93.25	4.64
Reliance Grain Co..............	6	1948	96.00	6.45
McColl-Frontenac Oil Co.........	6	Preferred	Market	6.50
Southern Canada Power Co.......	6	"	"	6.59
Power Corporation..............	6	"	"	7.41
International Bronze Powders.....	6	"	"	6.52

*Convertible into common shares at the rate of $25 per share (equal to 40 shares per $1,000 bond) up to July 2nd, 1941.

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Big Stick Threatens U.S. Public Utilities

Canadian Investments Affected by Roosevelt Socialization of Power

By DR. GAINES T. CARTINHOUR

School of Commerce, Accounts and Finance, New York University

NEW YORK.—Public utilities in the United States are being subjected to a veritable barrage of official criticism. With President Roosevelt's declaration that government operation of power plants is to be spread throughout the U. S. "before we get through," the Power Authority of N. Y. State suggesting that electric rates could be reduced 45 per cent if adjusted to the cost of service, the Federal Communications Commission ordering an exhaustive investigation into the financial structure and methods of the gigantic American Telephone and Telegraph Company and subsidiaries, and New York City levying a 3 per cent tax on the gross receipts of utilities, the industry is in a most unsettled condition. In spite of these developments some Wall Street houses believe that the actual threat to the integrity of utility investments from governmental competition in its manifold phases, as well as from other forces, is exaggerated. Because of the close relationship between Canada and the U. S. some utility securities held widely in the Dominion have been affected adversely.

This situation is particularly significant because of the large amount of utility financing which must be taken care of now or in the near future. Government power policies have already injured the credit of the industry and hindered financing operations. Utility executives are aroused and are preparing to challenge all further moves for Federal, State, or municipal competition with private companies, and to answer the many charges hurled against the industry. To date only a passive policy has been followed. In the opinion of this correspondent the utility industry in the U. S. is nearing a crisis. Utility securities have depreciated many billions during 1934, primarily because of competition from government owned power projects.

To Fight Roosevelt

The Edison Electric Institute, a national association of privately owned public utilities, representing 80 per cent of U. S. power interests, has decided to fight the constitutionality of the Government's Tennessee Valley and other electrical projects as well as P. W. A. power loans to municipalities at low rates of interest, and contends that unless they are checked every private company coming within their reach will probably be destroyed. This is the first organized opposition to the President's power programme which is to construct vast power plants whose product is to be sold at cheap rates to consumers over wide areas.

The opponents of government interference derived some encouragement from the recent decision of a Federal judge in Birmingham, Alabama, that the TVA has no right to develop power for sale in competition with other companies; that it is limited in its competition with private interests to the marketing of "surplus power." This opinion has less significance than may appear at first consideration. The real issue depends on the extent of the programme to market what is called "surplus power," and whether the reproduction and sale of electricity are merely "incidental." The champions of TVA have gone so far as to claim the decision was really in their favor. In time the U. S. Supreme Court will doubtless have to render its opinion in the same case. The argument is very much like that used in connection with the St. Lawrence River project. Navigation is primary but power is to be manufactured and distributed as a by-product. Here, of course, the main parties involved are the State of New York and the Dominion of Canada.

TVA Versus Institute

TVA says that the power project is incidental to flood control. Lack of the necessary data showing the actual investment in each will interfere with any attempt to show that electricity is disposed of at rates which tend to confiscate private property of competitive utilities. The Institute is anxious to bring the problem out into the open and force the Government to justify its acts and substantiate its charges that the private utilities are attempting to make the activities of TVA more difficult by throwing obstacles in its path.

Even if the TVA Act as now drawn up is held unconstitutional, it is not likely that the experiment would be stopped. The measure would be revised to meet the objections of the court, at least for the time being, and TVA would continue along its way. The Institute must prove that alleged social benefits of TVA can be brought about without ruining private undertakings.

President Roosevelt's enthusiasm for the TVA development is said to be even greater since his personal inspection of that region last month, and it is understood he will ask Congress for a new appropriation of $75,000,000 for further work there. He is said to be interested in it not only as a cheap power programme, but as a means of building up a better life in America.

Other Schemes Seen

His comments during the trip indicate the possibility that authorities similar to the TVA would be created for the Columbia River Basin, the St. Lawrence Valley, and the basins of the Colorado, Missouri, and Red rivers. Private utilities will never be able to meet government competition as long as the government agency is subsidized, receives grants and is not taxed as private utilities. The only way to make a fair comparison would be to put each on a purely business basis, and make the government agency bear the same costs and taxes as a well managed private utility.

When the TVA set its rate schedule, which is much lower than those of the private companies in the area, no attempt was made to protect the private companies. The latter then had to reduce their rates sharply to a point where they approximate the schedule of TVA, without the benefits of the government agency in connection with taxes, etc.

Private gas companies are just as concerned as the electric companies. Furthermore, no such utilization of domestic electricity as planned by TVA is possible unless present gas appliances are to be supplanted. Thus, gas and electric utilities have a common interest in the matter. The likelihood that the two industries will present a united front is not overlooked in Wall Street.

Holding Firms Affected

Public utility holding companies are just as vitally affected as the operating companies. For example, the Consolidated Gas Company of New York admits that if the rates suggested by the N. Y. Power Authority are put into effect it will have to pass both preferred and common dividends, and will not be able to pay interest on its bonds after meeting tax and wage expenses.

The N. Y. State legislative committee investigating utilities has also announced it will have a plan ready early in 1935 which contains the best features of the TVA, Washington, and other plans currently used in the U. S. And at the same time the N. Y. State Power Authority says the proposed development of the St. Lawrence would permit slashing of rates not only in New York but also in New Jersey and New England. Low rates alone do not in themselves make for greater use of electricity in every circumstance and there would be considerable question as to where to market the tremendous amount of potential electric power from the St. Lawrence project, particularly with the present overcapacity of generating equipment of private utilities in the area.

Gov't Financing In Eleven Months Peak Since 1931

Government and municipal financing in Canada in November totalled $9,191,446, compared with $2,582,681 in the 1933 month, according to a compilation by Wood, Gundy & Co. City of Toronto loan of $4,098,000 was the chief piece of financing in the month.

Government financing for the 11 months ended Nov. 30 totalled $548,255,683, the highest figure since 1931, when the Dominion floated its largest loan.

Comparative figures follow:

	1934	1933
11 Mos. to Nov. 30:	$	$
Dom. govt.	400,000,000	408,000,000
Provincial	124,249,000	75,881,238
Ontario munic.	9,652,617	14,431,664
Eastern munic.	14,124,066	27,311,888
Western munic. ...	230,000	206,940
Totals	548,255,683	525,831,730
Where sold:		
In Canada	442,191,817	392,831,730
In U.S.A.	50,000,000	60,000,000
In Great Britain .	56,063,866	73,000,000
Totals	548,255,683	525,831,730
Month of Nov.:		
Provincial	4,000,000	2,000,000
Ontario munic.	4,667,446	234,241
Eastern munic.	524,000	298,500
Western munic.	....	49,940
Totals	9,191,446	2,582,681

Ancroft Place to Pay March 1, 1934, Coupon

Ancroft Place Ltd., Toronto residential block, will pay on Dec. 15 the interest coupon for March 1, 1934, on its 6½ per cent first mortgage bonds of 1946, it is understood. This will leave only the Sept. 1, 1934, coupon in arrears.

For the year ended Aug. 31 1934, Ancroft Place earned 4.3 per cent on its $289,500 of bonds, but this was before allowing for depreciation. Stewart Scully, Co., underwriters of the issue, state that the rental situation is considerably improved, and that only one of the group of mortgaged houses is now vacant. Rents, it is stated, have improved, and earnings should be better next year, but are expected to be insufficient to meet the full 6½ per cent bond interest.

C. N. R. REVENUE DURING OCTOBER MOVES FORWARD

Operating Net for First Ten Months Up Over $6,500,000

From Our Own Correspondent

MONTREAL. — A substantial increase in both gross and net earnings is reported by the Canadian National Railways for last October.

According to an interim report issued by the company gross for the month was $15,803,292. This represents a gain of $1,140,978 over the same month of 1933. Net earnings advanced from $2,542,586 to $2,809,429, an increase of $266,844. For the first ten months of the current year, cumulative returns show a distinct improvement in the company's operating position. Gross revenues totalled $137,766,001. This is in contrast to $122,878,594 for the corresponding period of 1933. The gain of $14,887,407 in gross revenue was offset to the extent of $8,385,431 through an increase in operating expenses, including debenture payments. Net revenue at $9,951,934 compared with $3,449,958 in 1933, an increase of $6,501,976.

It is now apparent from the interim reports that the Canadian National Railways gross and net income for 1934 will be substantially larger than in 1933. The net income available for fixed charges on securities in the hands of the public, of course, will not be sufficient to cover the charge. On the other hand, the amount which the Government will have to put up to meet this charge, will be less than in 1933.

SOUTHERN CANADA POWER'S REPORT REVEALS SURPLUS

President Comments on Rate Policy in Territory Served

From Our Own Correspondent

MONTREAL. — Southern Canada Power Co.'s financial statement for the year ended September 30, 1934, shows an improvement in gross and net earnings as compared with the preceding twelve months, while the balance sheet reveals greater details of the company's financial position owing to recent amendments in the Companies Act.

During the past year the company had a gross income of $2,190,082 compared with $2,114,720 in the previous year. There was a slight improvement in both operating income and miscellaneous revenue. After taking care of expenses and other senior charges, the amount available for dividends was $809,725. This is in contrast with $745,103 in 1932-33. Surplus earnings of $63,822 were shown for the past year compared with a deficit of $73,616 in the previous year.

Surplus is Reported

Particulars of the income account follow:

	1934	1933
	$	$
Gross income	2,190,082	2,114,720
Less: Oper. expenses .	805,747	781,432
Bad debts	6,500	2,115
Net earnings	1,377,835	1,331,183
Less: Deprec.	229,549	211,470
Min. interest	186	......
Bond int.	338,375	374,600
Net income	809,725	745,103
Less: Pfd. divds.	425,334	425,334
Com. divds.	320,569	393,387
Surplus	63,822	*73,616
Brought forward	†359,402	†424,595
Carried forward	423,224	350,977

*Deficit. †Adjusted.

Balance Sheet Changes

At the end of last September, Southern Canada Power had assets totalling $25,531,922, compared with $25,608,265 on September 30, 1933. No change has taken place in the company's direct funded debt. Subsidiary company and municipal bonds guaranteed decreased by $27,000 and $225, respectively. The amount of Sherbrooke railway bonds outstanding in the hands of the public now totals $552,000. This figure does not include the issued bonds of the company held by Southern Canada Power.

There is no particular change in current liabilities, while capital stock issued is the same as last reported. The depreciation reserve is shown at $1,886,703, after applying $192,120 to further a write-down of certain investments.

Plant investment is shown on the books at $21,561,718 compared with $21,540,232 at the end of the previous year. Cash on hand is higher at $293,436, while guaranteed demand loan receivable has increased from $40,000 to $51,500.

Investment in affiliated companies is shown at $450,707, as against $647,118 a year ago. Other investments are carried at $2,527,066, as against a market value $814,958 less. During the year the market value of other investments increased $354,237.

Reviews Rate Structure

In reviewing operations during the year J. B. Woodyatt, president, made some interesting remarks on the company's rate policy. He said, in part:

"In line with the policy of reducing rates where circumstances warrant, your company during the year made further reductions for both domestic and commercial service. These new rates have been taken advantage of by a large number of your customers, as they permit the economical use of labor-saving appliances, and there is no doubt that they will prove to be increasingly popular. From time to time, as in the past, if the increased use of your service permits, it will be the policy of your company to still further reduce the price of electricity to your customers.

"In connection with rates, it is interesting to note, as against the misrepresentations of facts and figures by advocates of the municipalization and nationalization of public utilities, that this company's rates are now

"lower than the rates of any municipal plant in the Province of Quebec,

"lower than any rates in the Province of New Brunswick,

"lower than any rates in the Province of Nova Scotia,

"lower than any rates in the State of Maine,

"lower than any rates in the State of New Hampshire,

"lower than any rates in the State of Vermont,

"lower than any rates in the Province of Saskatchewan,

"lower than any rates in the Province of Manitoba with the exception of the city of Winnipeg,

"and having regard to the taxes paid, lower than the rates in the majority of the municipalities in the Province of Ontario."

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4½% Interest Return

Quebec is the capital City of the Province of Quebec. As an ocean port, it plays an important role in the development of Canada's foreign trade.

City of Quebec 4½% Bonds, due October 1st, 1950, offer a trustee investment to yield a substantial interest return.

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HYDRO-ELECTRIC POWER COMMISSION BONDS

Guaranteed as to Principal and Interest by the Province of Ontario

The Hydro-Electric Power Commission of Ontario will receive alternative tenders until 2 o'clock in the afternoon of Tuesday, December 11th, 1934, for the purchase of $10,000,000 Bonds of The Hydro-Electric Power Commission of Ontario, guaranteed as to principal and interest by the Province of Ontario, as follows:

(a) **$10,000,000, dated 1st January, 1935, payable 1st January, 1943, bearing interest at the rate of 3½ per cent. per annum, payable half-yearly; or**

(b) **$10,000,000, dated 1st January, 1935, payable 1st January, 1950, subject to redemption at 100 per cent. and accrued interest on any interest payment date on or after 1st January, 1947, bearing interest at the rate of 3½ per cent. per annum, payable half-yearly.**

Principal and interest will be payable in lawful money of Canada at the offices of the Bankers of the Commission in the Cities of Toronto, Montreal, Ottawa, St. John, Halifax, Winnipeg and Vancouver, at holder's option.

Bonds will be in denominations of $1,000 each with interest coupons attached and may be registered as to principal only.

The Commission carries on the business of generating, purchasing and distributing electric energy throughout the Province of Ontario under authority conferred by The Power Commission Act of Ontario and amendments thereto. The Annual Statement for the year ending October 31st, 1933, shows that the capital used by the Commission in its business was approximately $260,000,000, of this amount $205,000,000 had been advanced by the Province of Ontario as a loan, the balance in the form of bonds issued directly by the Commission and guaranteed by the Province, both as to principal and interest.

Payment of the principal and interest of this issue will be guaranteed also by the Province of Ontario.

Throughout the years of the depression, the Commission has continued to set up sinking funds, which will retire $151,801,000 or 74 per cent. of the capital advanced by the Province by 1960, and $44,310,000 or 80 per cent. of the monies invested in Hydro bonds by the public. It, therefore, appears that by 1960 no less than 75.67 per cent. of the total capital invested in the power business by the Commission will have been returned to the investors.

This loan is for the purpose of refunding $8,000,000—5 per cent. Debentures, due January 1st, 1935, issued in part purchase of Undertakings and Companies from Dominion Power and Transmission Company, Limited, and to restore Reserve Funds used temporarily in the retirement of the outstanding first mortgage, 5 per cent. gold bonds of Electrical Development Company of Ontario, Limited, due March 1st, 1933.

The Commission will furnish the favourable legal opinion of Messrs. Long & Daly, Toronto, and copy will be endorsed on the definitive Bonds.

Full payment for the Bonds with accrued interest to date of payment to be made in Canadian funds at the Office of the Treasurer of the Commission in Toronto on or about 2nd January, 1935, against delivery of Bonds in interim or definitive form, at the option of the Commission.

Sealed tenders endorsed "Tender for $10,000,000 Hydro-Electric Power Commission Bonds" should be addressed to W. W. Pope, Esq., Secretary, Hydro-Electric Power Commission of Ontario, 620 University Avenue, Toronto.

Tenders must be for the full amount offered, and each tender must be accompanied by a Certified Cheque for $100,000, to be applied in the case of the successful tender in part payment for the Bonds.

The above Bonds will be issued by the Commission and guaranteed by the Province under the authority of The Power Commission Act, R.S.O. 1927, Chapter 57.

The highest or any tender not necessarily accepted.

If a tender is accepted, the present offering covers for a considerable period all financing presently contemplated by the Commission.

A. MURRAY McCRIMMON,
Controller.

Toronto, December 4th, 1934.

BANK OF MONTREAL

Annual General Meeting Held
3rd December, 1934

The 117th Annual General Meeting of the Shareholders of the Bank of Montreal was held in the Board Room at the Bank's Headquarters.

THE PRESIDENT'S ADDRESS

Sir Charles Gordon, President, in addressing the shareholders, said in part: Gentlemen,—

The general statement of the Bank for the past year, copies of which have been distributed to the meeting, will be presented to you in its details by the General Managers, and will, I hope, prove satisfactory. In the matter of profits you will observe that these are continuing in smaller figures than in times past. The demand from commercial borrowers for bank loans is still at a comparatively low level, due to the fact that these customers are in large measure able to finance the present volume of business from their own resources, with the result that a larger proportion of the Bank's assets than we might wish to see must perforce be invested in high-grade securities. This, while giving greater liquidity and greater strength to our position, must naturally be reflected in smaller profits. You will note, however, that we have been able to earn the reduced dividend which has prevailed for some time past, with a comfortable margin to be carried forward to profit and loss.

BANKING

The effect on the commercial banks of the banking legislation of the year will in the main be to lessen their earning power by the curtailment of their note circulation privileges and by the operation of interest-limitation features. Any move which would further curtail the earning power of our commercial banks would be highly unwise. That our banks should be maintained in a sound position, both in respect of the character of their assets and of their earning power, is a matter of supreme importance to the country and particularly, I may say, to every depositor. Depositors in our banks throughout the Dominion have a very direct interest in the maintenance of a sound banking structure, and it is to be expected that their influence will make itself felt to that end.

Now that we are upon the subject of banks and banking in Canada, I might touch upon a few points particularly which I should like to bring to the attention of our own stockholders and depositors and also of the whole Dominion. Such a mass of evidence has been produced with regard to banks during the past year that it is a question whether or not the public, or our own stockholders, have found time to read it, or, if they did read it, whether or not they concentrated on the most essential points. I should like, therefore, to present a few figures which can be understood and carried away.

1. The total of assets under administration by our chartered banks is nearly three billions of dollars.
2. In the banks of Canada there are some 4,700,000 depositors, our own bank having over a million.
3. Depositors received during last year some $37,000,000 in interest.
4. The interest which shareholders in the banks received was $12,000,000.

I think we may therefore consider that this vast body of depositors, which outnumber the people who voted at the last general election in Canada, are vitally interested in the strengthening of our banks and the maintenance of their earnings. They may be considered as the preferred shareholders of the banks, whilst those who have supplied the capital of the banks, and who receive their dividends only after the $37,000,000 to which I have referred have been paid, may be considered as the common shareholders.

In addition to this, it must be borne in mind that no shareholder of our chartered banks can receive one cent of his capital invested in shares until all the depositors have been paid in full.

Another matter which should be impressed upon the public is the nature of the services which the banks are performing. In a country as vast as this, with towns and villages in remote districts, the value of these services can hardly be estimated. Within reasonable distance of nearly every point in the West where a farmer brings his grain to a country elevator, he can get his cheque cashed, or make his deposit, in a chartered bank, and he knows that when he wants his money and comes back to get it he will not find the bank door closed.

TRADE AND INDUSTRY

The trade and industry of Canada, I am happy to say, present a brighter picture than has been the case for several years past. Most of the basic industries upon which our business structure rests have shown progressive betterment during the year, some indeed a remarkable improvement. The latter is true of the lumber industry, which, long in a moribund condition, has experienced a revival through the development of overseas markets. In volume of production the newsprint industry has shown a notable gain, to the advantage of labour and transportation, but an unsatisfactory price situation has prevented the earning of profits. A wide range of manufacturing industries has operated on more active schedules. Outstanding in the way of new development has been the rise of the mining industry, which is not only important in itself, but which has had a beneficial effect on numerous contributory industries. The wealth of hydro-electric power which has been made available has resulted in the establishment of a number of important new industries, and notably of large-scale chemical and metallurgical industries of a character entirely new to Canada. Hydro-electric power has proved of the greatest value to the mining business of the country, as many of the properties could not be operated successfully were it not for the fact that hydro-electric power is available at comparatively short distances and at a low price as compared with coal or oil. If those who are prone to criticize what is called the capitalistic system would look around in Canada and observe what private initiative is accomplishing everywhere, they would in all fairness have to admit that it is doing its full part in laying anew the foundations of prosperity.

AGRICULTURE

The harvest in Canada was again spotty, but, as a whole, about equal to that of last year, with the advantage of somewhat higher prices. The wheat crop is estimated at 275,000,000 bushels, an increase of 5,500,000 bushels over 1933. There was crop failure again in Southern Saskatchewan, due to drought in a large area once the most fertile in the Western Provinces, and extensive relief measures will again be necessary for the farmers there. Production of coarse grains was also in excess of last year and root crops were fairly large. It is encouraging to know that our farmers are, as a whole, in better condition than a year ago, though it cannot be said that they reap adequate recompense for their toil. With regard to the handling of the wheat crop, it is hoped that the measures taken by the Dominion Government will turn out successfully. They have undoubtedly proved of benefit to our Western farmers.

CONDITIONS IN THE UNITED STATES

In the United States the efforts of the Government to stimulate business have continued during the past twelve months, the outstanding feature being the spending of public funds not only for relief purposes but also for the creation of public works and the development of natural resources. As a result there has been some upturn in business created by these artificial means, but there has not as yet been any steady or sustained recovery.

Sufficient time has elapsed to study the effects of the New Deal, and after sifting out the propaganda, one comes to the conclusion that the expensive economic experiments that have been undertaken in an effort to bring about a revival of trade have not materially improved conditions. The result to date has been to increase Government debt to unprecedented heights, regiment industry, restrict profits, devalue the currency, and increase taxes.

The lowest semi-official estimate as to the number of those requiring relief within the United States is 17,000,000, and, unfortunately, the number is increasing in spite of the various schemes of the New Deal.

There are signs that the administration now realizes that large expenditures of public funds provide only temporary relief, and that the problem of unemployment can be solved permanently only by the encouragement of private business, stimulated by the prospect of making legitimate profits and unhampered by too much Government interference.

UNEMPLOYMENT SITUATION

Never before in the history of Canada or the United States has the problem of unemployment and direct relief loomed so large as it does today. In fact, it has become the greatest problem that we have had to face since the war. There were always some people who were unemployed, but in the United States and Canada this fact did not give the Governments very much concern and no legislation of an important character was passed to deal with the question. In Great Britain, this problem, as you know, has been dealt with in a most thorough manner. Some of us thought, when we first heard of old age pensions, unemployment insurance — misnamed the dole — and other measures, that Parliament was going too far in introducing social legislation of this nature. It has taken some twenty-five years and many Acts of Parliament to construct in Great Britain the organization which is now carrying on so effectively. It is not a haphazard way of dealing with the situation, but a highly organized department of government whose function it is to distribute to those who should have, it the relief to which they are entitled.

Legislation to deal with this whole subject will have to be undertaken by the Governments of Canada and the United States; otherwise, the problem will get out of hand and it will be impossible to control the proper expenditure of the vast sums which are being voted for the purpose of unemployment relief.

EUROPE AND GREAT BRITAIN

In Europe the situation is still far from reassuring, and the past months have witnessed events which have not helped the recovery of peace and prosperity. The sanguinary happenings of June in Germany, the assassinations in Austria and France, the revolt in Spain, the tense situation in the Saar, and political changes in France, have all contributed to retard international understanding, a first step necessary toward general improvement in world conditions.

In Great Britain the situation presents a comforting contrast, as stability prevails and progress continues. The mother country's credit remains pre-eminent. Sound methods and cheap financing by the Government brought about a substantial budget surplus in the Spring, permitting some slight reduction and giving promise of further relief in the heavy tax burden borne by the British taxpayer. The ten months' total of all overseas trade at £974,000,000 increased some £82,000,000. For the first nine months of 1934 trade within the Empire at £342,000,000 increased £34,000,000. Imports from Canada increased 8.1% and exports and re-exports to Canada increased 20.7%. These are encouraging figures and are a measure of the leadership which Great Britain is giving in financial and economic rehabilitation.

EXTERNAL COMMERCE

The continued expansion in the external commerce of Canada which has gone on uninterruptedly for many months is especially gratifying. In the ten months ending October 31st, this trade had an aggregate value of $957,000,000, compared with $747,000,000 in the corresponding period last year, and $798,000,000 in 1932. In both percentage and amount the increase this year has been substantial and significant. For each of the last eighteen months exports of Canadian products have exceeded those of the corresponding period of the preceding year, and for fifteen months imports have been rising, in which connection it may be noted that imports of free goods, the raw material of domestic manufactures, have kept pace with those of dutiable goods. The external commerce of nations is enlarging and in that enlargement Canada is having a due share. More notable in a survey of our external trade is the excess of exports over imports which, since March, 1930, has amounted to $397,000,000. The advantage of this large favourable balance has been manifested in many ways, not least in maintaining the price of the Canadian dollar in terms of foreign exchange, and in keeping high the credit of the Dominion. Another satisfactory aspect of our external commerce is the wider market found for Canadian products in Empire countries, our exports to Empire countries in the six months ending September having been $168,000,000, an increase of $46,000,000, or 37.6% over the like period in 1933, while our exports to foreign countries rose but 4%.

RAILWAYS

I have in addresses to the shareholders in previous years mentioned some of our national problems which are yet unsolved, and the incidence of which bears heavily upon the citizens of Canada. Naturally, I put the railway question first, because of its great importance and because of the serious effects of the enormous annual deficits of the National system. The income losses for the past ten years have totalled $593,000,000, an average of over $59,000,000 per annum. In the last three years the average loss has been over $95,000,000 per annum. It is only necessary to see these figures to realize the retarding influence they have on Canadian development and the serious burden imposed upon the taxpayers of Canada.

The co-operative measures between the Companies, directed by the Statute of 1933, have, so far as the public is aware, fallen far short of giving any adequate relief, and unless in the very immediate future more beneficial results can be secured under the present system, it is clear that other and more drastic remedies must be applied.

Our Government railway losses constitute the biggest leak in our finances and the greatest deterrent to Canada's financial recovery. It is inconceivable that there should be undue delay in adopting effective remedial measures.

The figures I have given you are only part of the evidence that we must sooner or later—and the sooner the better—attack our railway problem on a scientific basis. We have to remember that today railways face extraordinary competition. Electricity, by carrying power to the sources of raw materials, has dispensed with much hauling of these materials to power plants, while canals, coastwise shipping, aeroplanes, automobiles, and trucks now all compete with the railways. Railways competing with each other can never succeed in adopting a common policy to meet these other forms of competition. The task before us is to co-ordinate all forms of transportation, not by the throttling of competitive systems but by the elimination of useless competition by means of intelligent direction. A first step is the co-ordination of our railways. A second step is the regulation of all forms of transportation under a Federal Board of Transportation Commissioners vested with powers similar to those of the Board of Railway Commissioners, but on a wider and more comprehensive scale.

GOVERNMENT FINANCE

There are signs that in the conduct of Dominion, Provincial and Municipal affairs the need for imperative economy is now being recognized, and many important steps have been taken toward correcting the extravagances which developed in more prosperous times. Governmental expenditures, however, remain in high figures. We cannot continue indefinitely to pile up debts, but must address ourselves with stern determination to the task of balancing the budget in every form of government.

The task of balancing the Federal budget is rendered difficult by the cost of unemployment relief by the war legacy in the shape of pensions, and, above all, by National Railways deficits, these three items alone involving an annual charge of not less than $150,000,000. Preliminary figures show the ordinary revenue of the Dominion Government in the seven months of the current fiscal year to October 31st last to have been $215,839,000, an increase of $26,705,000 over the corresponding period last year. There was an excess of revenue over ordinary expenditure of $19,000,000. Special expenditure, however, amounted to $30,363,000, mainly for unemployment relief, and loans and advances to $78,535,000, made up chiefly of loans to Canadian National Railways $54,319,000 and to provincial governments $23,862,000. The low cost of money has enabled governments to borrow and to refund at reduced interest and so to effect a saving, but this advantage is offset by mounting debt. Including the successful Dominion Conversion Loan in October, a saving of $14,000,000 annually has been made in interest charges in the last four years. On the other hand, interest on public debt in the first seven months of the current fiscal year was $5,288,000 greater than in the same period last year. Manifestly, the need for close economy in public expenditure persists.

In the matter of government financing there is a point which does not appear to have been given the full attention it deserves, and that is the desirability of taking advantage of the present strong market for government bonds by effecting long-term rather than short-term borrowing. The United Kingdom has taken a lead in these operations and has effected immense savings in annual interest charges through exercising the privilege of redeeming before maturity a number of issues which were floated during or prior to the War. These operations have illustrated forcibly the wisdom of important governmental borrowers reserving the right of redemption on long-term issues for a reasonable period, in keeping with the term of the loan itself. For some years this type of financing was unwisely discouraged in Canada and as a result we have many borrowers who would gladly take advantage of present favourable conditions to refund part of their outstanding issues if these issues could be called in before the maturity date.

THE OUTLOOK

Looking at conditions as a whole, it may be said that Canada has moved forward consistently on the road to recovery, and it is instructive to seek reasons why this progress has been more steady and pronounced than that of many other countries. Among the reasons I think we must count the fact that we have not been so ready as have some others to seek a panacea in the control of industry, or in economic experiments of one kind and another. In Great Britain, whose returning prosperity constitutes an inspiring object lesson, the people have made a united effort to promote business. In this single-minded objective extraneous reforms and experiments have been side-tracked. There has been no attack on private initiative. The low point of the depression occurred earlier in the United Kingdom than in Canada, and similarly, while recovery commenced in the United Kingdom during the summer of 1932, it was delayed in the case of Canada until the second quarter of 1933. It is a reasonable deduction that the wisest course for us to follow is to give single-minded devotion to reviving business by the methods which experience has shown to be fundamentally sound and not to interfere with the improvement now under way by applying new and untried theories and enacting hampering legislation.

With respect to the outlook for the coming year, there are many reasons which justify the hope for a continuation of the betterment which we have witnessed during the past year. In the first place, I would say that events are emphasizing how great is the national asset we possess in the good sense and the homogenous character of our people. Then, as I have indicated, there is comforting statistical evidence that the clouds are lifting, and comforting evidence, too, that our resources are so large and so varied that when one door of opportunity closes another always opens. It has truly been said that Canada's salvation is that she is still a land with a frontier. Once wheat and forest products were the important treasures of our soil. To these are now added gold and the highly-important commercial metals with which this country is so lavishly endowed. I would be very much happier if I could say that marked improvement has also been shown in other countries, for the welfare of the individual is bound up in that of the whole. Canada is particularly susceptible to outside influence; we must not forget that as our position is largely that of an exporter, conditions in other countries must have a great bearing on conditions here. (Applause.)

THE GENERAL MANAGERS' ADDRESS

Mr. W. A. Bog, as Joint General Manager, read the Address of the Joint General Managers, which was in part as follows:

Mr. Chairman and Gentlemen:

On behalf of Mr. Dodds and myself I have the honour to present to you the one hundred and seventeenth annual balance sheet of the Bank, from which you will see that the strong position of the Bank has been fully maintained.

Important changes in the balance sheet figures are as follows:

Our Total Assets amount to $759,100,000, compared with $768,500,000 a year ago.

Quick Assets, including cash, total $491,200,000, representing 71.97% of all liabilities to the public; of these assets actual cash amounts to 12.77% of such liabilities. Our large holdings of Quick Assets emphasize the difficulty of employing our money in commercial loans.

Investments, not exceeding market value, amount to $318,000,000, practically unchanged from last year.

Our investments in Dominion and Provincial Government securities included in the above amount to $284,900,000.

Current Loans in Canada amount to $230,800,000, a decrease of $5,300,000. Bank deposits now in existence could readily finance a volume of trade substantially greater than that of today. However, until the tendency towards restrictive legislation upon business operations is more clearly defined, and until the uncertainties in the field of international relations have been removed and the opportunity for profitable employment of borrowed money becomes more apparent, business will probably show some reluctance to expand. We never lose sight of the fact that lending money for commercial purposes is the backbone of our earning power; we are ready, and always have been to consider applications for loans which fall within the category of prudent banking risks. We have emphasized this feature in our advertisements in recent months in order to controvert a widespread misconception that there is a lack of banking credit. These advertisements did not announce a new policy, or even the revival of a policy; they simply restated a policy from which the Bank has at no time departed, namely, that of affording every reasonable accommodation to commercial borrowers. We might add in this connection that the total of credits authorized for our borrowing customers is very largely in excess of the amount which they have found that they can use to advantage.

In valuing our assets, ample provision has been made for all bad and doubtful debts and any depreciation of securities.

Profits are slightly lower than those of the previous year; after deducting Dominion and Provincial Government Taxes they amount to $3,204,000, as compared with $3,496,000 in 1933.

As a result of the lower interest rates prevailing and the difficulty of employing money profitably, banks and other institutions receiving deposits reduced the rate of interest. This action should indirectly assist governmental bodies in their efforts to establish budget equilibrium and should also contribute to business recovery, but in assisting these objects it would be a mistake to lower the rate on savings deposits to the point of discouraging thrift. It is equally important that the rate available on government bonds should be such as will attract the surplus funds of the investors of small and moderate means and thereby secure that wide distribution which is so desirable in public financing; we must remember that interest rates in a debtor country cannot fall as low as in a creditor country.

CONDITIONS IN CANADA

At our last Annual Meeting the statement was made that the year 1933 had not only exhibited a certain measure of recovery but had supplied grounds for hope that the recovery would continue in 1934. That hope has been justified, notwithstanding the tendency for consumption of certain goods to lag behind production, and also for employment, due to greater productive efficiency, to increase less rapidly than production.

Canadian business is vitally dependent upon external trade, and one of the major obstacles in the way of international trade is exchange instability. Canada has intimate trade and financial relationships with Great Britain and the United States and she is, therefore, particularly interested in sterling and the United States dollar being stabilized.

It does not appear probable that satisfactory stabilization of the world's moneys can be achieved upon any other basis than a gold standard.

The Ottawa Agreements gave to Canada a much needed market for her agricultural products. Our exports to Great Britain have been exceeding our imports from Great Britain by an increasing margin. With respect to the United States, although Canada's unfavourable balance on merchandise account was reduced from $311,000,000 in 1929-30 to $44,000,000 in 1933-34, this trend is now in process of being reversed, and the unfavourable balance with the United States is rising rapidly as compared with last year. The discount on the American dollar and the high tariff against our agricultural products impede the free flow of goods across the frontier, to our disadvantage.

BANKING LEGISLATION

The Act incorporating the Bank of Canada will operate gradually to reduce the long-established privilege enjoyed by the chartered banks to issue notes. That function is to be undertaken more and more as time goes on by the new Bank. Meantime, the partial withdrawal of the circulation privilege will curtail the services as well as the earning power of the chartered banks. The banks have assisted immeasurably in the development of Canada, particularly by opening branches in nearly every hamlet in the country. As long as we could issue our own notes there was no unproductive tie-up of resources in till money at any of our branches. Bank notes up to the amount of the Bank's capital require no cover; above that amount they are fully covered by gold or legals, except that during the crop moving period some leeway is permitted. They are secured by a first lien on assets relatively huge.

Canadian bank notes are issued only as business activity requires and when the immediate need is filled the notes flow back to the banks and are redeemed. This has prevented any inflation of the currency insofar as it is represented by bank note circulation. Business may at times be inflated and this in itself may create an abnormal demand for currency, but this is essentially different from the emission of notes not required by trade. The automatic feature of the Canadian bank note has been the subject of unstinted praise by banking authorities in the Republic to the South.

Under the amended Bank Act a further restriction has been imposed limiting the maximum interest rate that may be charged. In the past banks were able to charge interest at a reasonable rate commensurate with operating costs. In the districts where these costs are high the aggregate effect of the limitation now in force may mean the difference between a profitable and an unprofitable branch.

Profits will be lowered and operating losses increased through the restrictions mentioned above and the only business-like alternative the banks have is to close unprofitable offices.

One of Canada's greatest assets is a thrifty people who have been encouraged by a sound banking system which provided a convenient and sure refuge for their money. It is a mistake to discourage the one and weaken the other.

In an economic sense, the most important individuals in society are the small capitalists. It is they who supply the motive power of business and do the work of the world. It is the savings of these, the great army of the nation's workers, that we, as bankers, must safeguard. The average deposit is relatively small; depositors tend to invest when their deposit balances accumulate. Yet for a great host, money in the bank represents the sole bulwark against misfortune. Borrowers as a class are property owners; as a rule, fairly well-to-do, not seldom wealthy. But the average depositor is relatively a poor man; our first duty is to protect him.

It is well to bear in mind that had our banks operated under the unit system as in the United States there would have been many failures in distressed districts. In contrast to what happened in that country, the depositors' funds in Canadian banks were always available — no one was kept waiting for his money. The ultimate loss to depositors in closed banks in the United States will be not less than $2,000,000,000. Such a loss if applied to Canada, on a basis of relative population, would amount to $160,000,000.

CONDITIONS ABROAD

Industry in Great Britain has shown an increase in activity. Retail sales are 3.3% greater than a year ago, and reduction in unemployment proceeds steadily, the number of unemployed having decreased by over 179,000. Money has continued very plentiful throughout the year, with present rates of interest near record lows. Large sums of British and foreign money seeking employment have created an extraordinary rise in stock exchange securities, helped of late by the announcement of large repayments of treasury bonds. British funds are now at prices which have not been seen for many years and are on approximately a 3% basis. The London market is not yet free from restrictions as regards the flotation of outside capital issues, but certain exceptions continue to be made, particularly in favour of Empire requirements.

General conditions in France cannot be said to have improved during the past year, that country having experienced serious political and financial troubles. There has been retrenchment in Government expenditure and successful conversion and sinking fund operations, but collection of taxes has not been up to expectations and the 1935 budget estimate figures reveal a deficit of Fcs. 588,000,000. Foreign trade is at a low ebb, the adverse balance of trade for the nine months ending 30th September last being Fcs. 4,594,000,000. High tariffs and quotas restrict importation of raw materials, with consequent reduction in industrial activity.

UNITED STATES

In the United States, following the general closing of the banks in March, 1933, some of them permanently, and the strengthening of the capital structure of a number of institutions with funds supplied by Government agencies, improvement has taken place in the banking situation, and bank reserves in the hands of the Federal Reserve Banks have reached unprecedented figures. In the absence of demand for commercial loans and with no new industrial investment issues of importance being underwritten since the enactment of the Securities Act, with its severe penalties, the banks during the past twelve months have added materially to their holdings of Government bonds.

The national debt of the United States Government is increasing rapidly and it would seem that sense of balance has been lost. In the short time of two years the gross public debt has increased about $6,000,000,000, if one excludes the so-called gold profit of $2,800,000,000. Banks have been the Government's main support for capital, as about 25% of their resources is now invested in Government securities as against 6% in 1929. A sounder policy would be to interest the public in financing the New Deal, as it is disturbing to think that during the next five years short-term debt aggregating about $14,000,000,000 becomes due.

CONCLUSION

In Canada the depression did not reach the low levels experienced in many other countries, although one might have expected that a debtor country would feel a depression more keenly than a creditor country.

The intrinsic wealth of the country was undoubtedly a protective factor; the stability of the people another. A third was to be found in the banking system. In this connection as evidence of the confidence in our Bank held abroad the number of shareholders of the Bank residing outside of Canada has increased during the past year by over three hundred; since 1929 by more than eight hundred. This confidence is justified as I can assure our shareholders and depositors that the Bank is in a strong and sound position.

The Chairman then moved, seconded by Mr. H. R. Drummond, that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders.

The report was unanimously adopted.

THANKS TO THE OFFICERS

Hon. Rodolphe Lemieux, K.C., then moved, seconded by Mr. W. B. Blackader, that the thanks of the meeting are hereby tendered to the President, the Vice-Presidents, and Directors for their attention to the interests of the Bank.

Major-General the Hon. S. C. Mewburn, C.M.G., moved, seconded by Mr. Ross H. McMaster, "That the thanks of the Meeting are hereby tendered to the General Managers, the Assistant General Managers, the Superintendents, the Managers and other officers of the Bank, for their services during the past year."

The ballot for the appointment of Auditors and the election of Directors for the ensuing year was then proceeded with.

The scrutineers appointed for the purpose reported that Messrs. Charles A. Hodgson, C.A. and W. D. Glendinning, C.A., were duly appointed Auditors, and the following gentlemen elected Directors: The Honourable Thomas Ahearn, P.C., D. Forbes Angus, E. W. Beatty, K.C., W. A. Black, W. A. Bog, the Honourable Patrick Burns, the Honourable Henry Cockshutt, Norman J. Dawes, A. O. Dawson, H. R. Drummond, W. Sanford Evans, Sir Charles Gordon, G.B.E., J. W. McConnell, Ross H. McMaster, F. E. Meredith, K.C., Major-General the Hon. S. C. Mewburn, C.M.G., Lt.-Col. Herbert Molson, C.M.G., M.C., A. B. Purvis, C. F. Sise, W. N. Tilley, K.C., Sir Frederick Williams-Taylor.

At a subsequent meeting of the Directors, Sir Charles Gordon, G.B.E., was elected President, and Mr. H. R. Drummond and Major-General the Honourable S. C. Mewburn, C.M.G., were elected Vice-Presidents.

The Executive Committee of the Board was appointed, consisting of Sir Charles Gordon, G.B.E., Mr. H. R. Drummond, Major-General the Honourable S. C. Mewburn, C.M.G. and Mr. E. W. Beatty, K.C.

News of Investment Markets

SUSTAINED RISE OF HIGH-GRADES BOND FEATURE

Record Prices For Gilt-edged Issues Stimulating Other Bonds

Strength in gilt-edged issues was the dominating feature of Canadian bond trading in the week ended Dec. 4. Western provincial and corporation bond issues showed mixed movement without establishing a trend.

The upward movement of high-grade government issues carried The Financial Post's average price for seven bonds above 112 for the first time, while the average yield dropped close to 3.6 per cent. Significant of this situation, city of St. Catharines sold $90,000 mostly of short term bonds at an average cost of less than 3½ per cent.

The movement of gilt-edged bonds is shown below:

Average Yield and Price for Seven High Grade Canadian Bonds

1934	Yield %	Price $	1933	Yield %	Price $
Dec. 4	3.604	112.46	Dec. 4	4.554	102.23
Dec. 3	3.621	112.27	Dec. 2	4.551	102.25
Dec. 1	3.621	112.27	Dec. 1	4.557	102.18
Nov. 30	3.621	112.27	Nov. 30	4.557	102.18
Nov. 29	3.629	112.18	Nov. 29	4.564	102.12
Nov. 28	3.674	111.74	Nov. 28	4.580	102.00
Nov. 27	3.687	111.62	Nov. 27	4.543	102.46
Oct. 31	3.807	110.30	Oct. 31	4.420	103.51
Sept. 29	3.814	110.32	Sept. 30	4.459	103.34

Increased London Demand

Wood, Gundy & Co. report that increased demand from London for Canadian high-grade bonds has been evident. This firm attributes the marked strength of western provincial issues in the last month to increased farm purchasing power and better business in the west.

Corporation bonds appear to be getting more attention concurrent with the continuing decline of yields on prime government issues. Utilities have been favored because of their good payment record throughout the depression. Consequently the offering of $6,000,000 of Maclaren-Quebec 5½'s early this week was sold out shortly after opening of the syndicate's books.

SYNDICATE SELLS MACLAREN-QUEBEC MORTGAGE AT PAR

Big Quebec Enterprise in Market for Further Capital

From Our Own Correspondent

MONTREAL.—R. O. Sweezey & Co. head a syndicate which sold this week $6,000,000 series B 5½ per cent first mortgage bonds of the Maclaren-Quebec Power Co. Dealer subscriptions were reduced materially by allotment, and retail sales are reported to have taken the bonds off dealers' hands.

Maclaren-Quebec Power Co forms part of a development being carried out in the Buckingham area of Quebec by the Maclaren interests. The company owns and operates two power plants on the Lievre River, with an installed capacity of 216,000 h.p. The company has two power contracts, one with the James Maclaren Co. and the other with the Ontario Hydro-Electric Power Commission. The latter has contracted for 125,000 h.p., of which 40,000 h.p. is now being delivered. The full contract requirements will be met on November 1, 1936, and will continue at that rate until July 1, 1973.

Details of Issue

Particulars of the issue follow:

$6,000,000—MacLaren-Quebec Power Co., 30-Year 5½ Per Cent First Mortgage S. F. Bonds, Series B

Dated Sept. 1, 1934. Due. Sept. 1, 1964.

Principal and interest payable in Canadian funds; bonds are redeemable at option of the company.

Capital:	Authorized	Issued*
1st mtge. bonds (closed issued)	$18,000,000	$18,000,000
Com. shs., n.p.v.	250,000 shs.	50,000 shs.

In addition to the above the company contemplates authorizing $6,000,000 principal amount of second mortgage bonds, of which $4,000,000 is estimated to be sufficient to complete developments.

Company: Operates two power plants on the Lievre River in the province of Quebec.

Power Contracts: Sells power to the Ontario Hydro Electric Power Commission and the James MacLaren Co.

Security: Secured by first fixed and specific mortgage on all properties and rights of the company, the two power contracts mentioned and other rights, as well as a voting charge on the undertaking and all other assets of the company.

Guarantee of Completion: James MacLaren Co. and MacLaren Power and Paper Co. have jointly and severally covenanted with the trustee that the company will carry out completion of the project and that upon demand by the trustee they will advance all moneys that may be required for this purpose.

Sinking Fund: Calculated to be sufficient to retire 50 per cent of the series B bonds by maturity.

Earnings: Net earnings available for bond and other interest and depreciation estimated at $990,000 for 1933; $1,194,166 for 1934; $1,692,500 in 1936; $2,275,000 in 1936. Annual interest requirements on the first mortgage bonds amount to $990,000.

Offered: At par and accrued interest to yield 5½ per cent, by R. O. Sweezey and Co., McLeod, Young, Weir and Co., McTaggart, Hannaford, Birks and Gordon; Bell, Gouinlock and Co.; Hanson Bros. Inc.; R. A. Daly and Co.; Cochran, Murray and Co.; Greenshields and Co.; W. C. Pitfield and Co.; J. L. Graham and Co.; Griffis, Fairclough and Norsworthy; Williams, Partridge and Angus; Gairdner and Co.; Aird, Macleod and Co.; Melady, Sellers and Co., and Ernest Savard Ltd.

Significant Investors' Index Numbers

1926 — 100

No. of Securities:	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	323.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	182.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	68.5	23.7	44.0	30.5	38.9
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	118.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
May	106.9	13.8	74.3	159.0	79.1	129.9	113.8	128.0	56.7	91.1
June	104.7	12.5	74.1	161.9	77.7	128.1	113.5	126.1	54.5	89.8
July	97.8	10.5	72.4	153.8	72.7	123.3	86.7	116.6	50.6	83.1
August	100.7	9.9	73.2	158.0	73.1	125.5	91.3	120.1	51.2	85.9
September	98.8	9.6	72.6	160.2	71.9	123.4	93.8	118.8	50.1	85.7
October	107.7	9.8	68.4	169.0	74.4	126.6	89.2	122.0	49.0	87.1
Weekly Figures, 1934:										
November 1	105.4	9.0	66.0	171.0	73.0	130.8	101.6	121.9	47.9	90.2
November 8	109.0	9.2	63.9	174.3	74.1	131.1	112.4	124.1	47.7	91.9
November 15	112.0	10.6	66.7	184.3	74.0	132.8	115.6	128.8	47.8	94.4
November 22	109.7	10.4	68.7	183.1	73.2	132.4	114.2	126.8	45.4	92.1
November 29	111.8	10.3	70.2	181.8	73.1	133.8	120.6	128.0	46.3	93.3

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Dec. 4	99.72	107.30	77.24
Dec. 3	99.69	107.13	77.26
Dec. 1	100.34	106.83	78.02
Nov. 30	100.01	106.99	78.22
Nov. 29	100.11	107.76	78.49
Nov. 28	100.92	108.47	79.09
Month ago	98.14	116.30	82.36
High, 1934	120.12	135.98	116.57
Low, 1934	86.85	100.90	76.54

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Dec. 4	58.2	56.4	57.0
Dec. 3	57.9	56.3	56.8
Dec. 1	58.0	56.6	57.1
Nov. 30	58.3	56.6	57.2
Nov. 29	58.0	56.6	57.1
Nov. 28	58.3	56.5	57.0
Month ago	61.0	58.4	57.9
High, 1934	72.0	65.2	67.4
Low, 1934	56.4	50.1	53.3

Bond Sales

St. Catharines

City of St. Catharines, Ont., has sold $90,000 of four per cent serial debentures, maturing over one to five years, except $11,000 for sewers maturing over one to 11 years, to McTaggart, Hannaford, Birks & Gordon at 101.53, an average cost basis to the city of less than 3.50 per cent. Bids were as follows:

	Bid
McTaggart, Hannaford, Birks & Gordon	101.53
Fry, Mills, Spence & Co.	101.00
Rogers, Lynch & Co.	100.68
Dominion Securities Corp.	100.677
Wood, Gundy & Co.	100.577
C. H. Burgess & Co.	100.451
Royal Securities Corp.	100.26
Matthews & Co.	100.257
J. S. Forgie & Co.	100.25
Nesbitt, Thomson & Co.	100.06
McLeod, Young, Weir & Co.	99.85
Harris, MacKeen & Co.	99.72
R. A. Daly & Co.	99.69
J. L. Graham & Co.	99.639
Dyment, Anderson & Co.	99.631
Gairdner & Co.	99.176

Bond Tenders

3 p.m., Dec. 11, Victoriaville, Que. —$48,000, 4½ per cent bonds, dated Nov. 1, 1934, redeemable serially from Nov. 1, 1935, to Nov. 1, 1954. W. Fortier, sec.-treas.

2 p.m., Dec. 11, Hydro-Electric Power Commission—$10,000,000 as follows: $10,000,000, 3½ per cent dated Jan. 1, 1935, due Jan. 1, 1943; or $10,000,000, 3½ per cent dated Jan. 1, 1935, due Jan. 1, 1950, subject to redemption at 100 per cent and accrued interest on any interest payment date on or after Jan. 1, 1947. A. Murray McCrimmon, controller, Toronto. (See announcement on page 4).

5 p.m., Dec. 17, Westmount School Commissioners—$175,000, 4½ per cent bonds, dated Sept. 1, 1934, maturing serially Sept. 1, 1935 to Sept. 1, 1964. E. W. T. Raddon, sec.-treas., High School, Westmount.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Riordon Pulp‡	6%	1942	Dec. 31	105
Metropolitan Bldg.	7%	1944	Jan. 15	103½
Rio de Janeiro Trams, 1st mtg.	5%	1935	Jan. 1	...
Harris Abattoir	6%	1947	Jan. 1	103
Dom. Textile	6%	1949	Mar. 1	105
Toronto Harbour Comm.	§4½%	....	Mar. 1	105

Purchase of bonds for sinking fund: ‡ $74,600. * $27,000. § In part.

SUCCESSION DUTIES

have increased substantially in common with other forms of taxation. By statute beneficiaries can receive nothing from an estate until these duties are paid. Our Estates Analysis Department will be glad to discuss the practical effects of this tax on your estate and estimate its amount.

Your inquiries on your Estate problems are invited.

THE TORONTO GENERAL TRUSTS CORPORATION

ASSETS UNDER ADMINISTRATION, $228,000,000
HON. N. W. ROWELL, *President* W. G. WATSON, *General Manager*

TORONTO MONTREAL OTTAWA WINDSOR WINNIPEG REGINA
SASKATOON CALGARY VANCOUVER

An Announcement by

THE PROVIDENT ASSURANCE COMPANY

The BRITISH COLONIAL FIRE INSURANCE COMPANY and the TRANS-CANADA INSURANCE COMPANY last year became associated with The PROVIDENT and have since been conducted under the same management.

To further facilitate unity in administration it has been decided that after the 31st December, 1934, all new business will be undertaken by The Provident.

Capital Subscribed $1,000,000
The Provident Assurance Co.
Established 1905
Capital Paid $304,780

59 St. James St., Montreal 11 Jordan St., Toronto
Vancouver, Saskatoon, Halifax

Fire, Life, Guarantee Bonds and all Casualty Lines of Insurance

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
St. Catharines, Ont., City of	Nov.	McTaggart, Hannaford, Birks & Gordon	4% debs.	..	$90,000	101.53	3.5

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date	Investment Houses Offered by	Rate	Due	Amount	Price	Yield
Maclaren-Quebec Power	Dec. 5		5½%	......	$6,000,000	100	5½%
Stock Issues—							
Clark Gold Mines	Dec.	E. M. McLean & Co.	...	......	250,000 shs.	50c	...

The Financial Post

Member Audit Bureau of Circulations

Editor—Floyd S. Chalmers

Business Manager—D. M. Gowdy

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TORONTO, DECEMBER 8, 1934

MAKING CONVERTS FOR AMALGAMATION

FRANK A. ROLPH, president of the Imperial Bank of Canada, suggests that unification of our railways may provide the most satisfactory solution of the financial problem created by the enormous and continuous deficits of the C. N. R. At the bank's recent annual meeting, he told shareholders:

> "Together with many others, I dislike the thought of monopolization of our railway system, but from an economic standpoint I cannot help but feel that in Mr. Beatty's solution by unification lies the only measure which will bring the maximum of relief. Co-operation is accomplishing something, but only a small part of what could be accomplished if we could do away with the great duplication of effort and expense which now prevails."

Unification of the two great railway systems has been opposed on the ground that it would allow a single corporation to monopolize Canadian transportation; that elimination of competition would reduce efficiency; that there might be exploitation of the public.

Unification may not be the ideal solution of the problem of the C. N. R. deficits, and it is only an alternative solution. The C. N. R. trustees are supposed to be trying another; that of economizing through co-operation. Unless they achieve more than they have to date, an increasing number of Canadians, like Mr. Rolph, may become inclined to accept unification as the lesser of two evils.

The point that is important is simply this: a great many people who are sincerely anxious to avoid the establishment of non-competitive, monopoly railway service in this country (and the Canadian National Railways trustees may be included in the number) are doing nothing to avert such an eventuality.

If Chairman Fullerton wants to avoid amalgamation, then he must make a success of the business of reconciling co-operation and competition. And others who oppose amalgamation should speak out loudly and clearly in their demand for greater economy and efficiency than the new board of trustees have yet brought to the Canadian National Railways.

Every day that such economy is delayed there are new converts to unification, including men of great influence like Mr. Rolph.

WHAT MR. STEVENS CAN DO ABOUT BANK LOANS

HON. H. H. STEVENS thinks that the banks should loan more of "the people's money" back to them in the form of commercial loans. At least he is quoted as having said in Toronto that the banks are not depositories for government bonds but custodians of the liquid credit of the country. He asserted that one bank, whose statement had just appeared, had loaned to business men a sum 50 per cent short of what it should have loaned.

It is true that the bank in question holds some $317,000,000 of short- and long-term government bonds.

But it is also true that the same bank is earning a very small return on these bonds and would willingly use a very large proportion of the money more productively in commercial loans.

It is also true that the bank holds many of its government bonds because it was asked by the Dominion Government to take them up in order that railway and other deficits could be financed without more taxation than has already been imposed by the Government in which Mr. Stevens has sat during each budget period.

And it is likewise true that one reason why more commercial loans are not being sought by business men is lack of confidence in the business outlook. For this lack of confidence there are many causes, some of which are within Mr. Stevens's control. One need cite only a few examples.

1. The thoroughly mischievous, unfair and inaccurate attacks which Mr. Stevens himself has made upon business concerns without distinction between those that are honestly and socially managed and those that are not.
2. The excessive spending of the Governments, in one of which Mr. Stevens was a member until but a few weeks ago.
3. The threat of even more bankrupting spending policies implied in such programmes as Mr. Stevens's plea for a billion dollar expenditure on public works.

"OH, THE WORLD OWES ME A LIVING!"

RALPH CONNOR is a Canadian author who has achieved world-wide fame by a number of books on Canadian life. The chief characters in his books are men who made a notable contribution to their country and to the communities in which they lived by personal effort and by displaying rare qualities of endurance and courage in the face of difficult odds.

Ralph Connor, the distinguished Canadian novelist, is also the Rev. Charles Gordon, of Winnipeg. One is made to wonder, by some of the recent public utterances of Dr. Gordon, if Ralph Connor wrote his early books with his tongue in his cheek.

Speaking to the students of the University of Western Ontario the other day, Dr. Gordon advanced the theory that the state owes every individual a living, a thought which was even more highly developed recently in one of Walt Disney's cartoon comedies. Dr. Gordon is reported as having said:

> "The state has a contract with the individual. The state says: 'If you will be a good citizen, I'll see you get your rights.'
>
> "The first essential right of citizenship is life and life is the right to live as an honorable man.
>
> "No man can retain his honor who does not live by his work. The first great glorious privilege is to work.
>
> "Is there any question in Canada now of greater importance than—'How shall we enable the country to keep its covenant with its citizens?' If it can't keep its covenant with its citizens, it can't defend itself from ruin."

Some of that is pretty meaningless stuff, but there is no equivocation about the statement that the state owes the individual a living. Certainly, it justifies the headline writer of the London Free Press, in putting on his report of the speech the words "Dominion Must Provide Work for All or Perish."

Ralph Connor's characters were not so much concerned with what the state owed to them as with what they owed to the state. That, after all, is the only spirit that will bring us through to recovery and advance our status as a nation.

Too many scores of thousands of people throughout the world are being taught that society owes them a living and not that they owe something to society.

FIND YOUR OWN SAVINGS AND SUPPORT THEM

RECENTLY, the president of the Canadian Daily Newspapers' Association, W. J. J. Butler, of Toronto, was forced to issue a statement in which he indicated that the day of the two cent daily newspaper seemed to be doomed. For this situation he blamed the taxes which have been piled on newspapers by different governments—the unfair tax of 6 per cent on newsprint, an increase in postal rates, a surcharge of postal rates, a corporation tax of 12½ per cent, and provincial taxes.

Suffering under these disabilities, the daily newspapers of Canada might very well examine all classes of governmental expenditures in their own areas. If each daily newspaper editor were to find some Dominion government expenditure that could be cut out, either in his locality or at Ottawa, and if all these savings could be freed, it would be possible to abolish not only the 6 per cent tax on newsprint but the six per cent sales tax on all commodities, and many other taxes as well.

WHEN TAXES TOO HIGH WORKERS LOSE OUT

ONE of the chief reasons why Crosse & Blackwell, important jam and pickle manufacturers with a plant in Toronto, have been forced to call a meeting of creditors is the fact that the taxes in Toronto were out of proportion to those paid by their competitors in smaller communities throughout the country.

There now appears to be a distinct possibility that the plant will be closed down and that the established trade of Crosse & Blackwell will be carried on from plants located in other centres.

This incident should not be without its point for those among Toronto's civic administrators who feel that they can best serve their community by finding ways and means of increasing rather than decreasing taxation.

PROFIT OR LOSS—AND HOW MUCH?

IN CALGARY, Mr. Bennett gave out an interview in which he stated that the Government by supporting the wheat market had enriched the farmers by $25,000,000.

Recently John I. McFarland, who takes orders from Mr. Bennett in this matter of supporting the wheat market, stated that his support of the market was worth $200,000,000 to the farmers.

Perhaps the prime minister and his official should get together and agree upon a figure to represent the amount of money that they have made for the farmers by speculation on the public credit.

In the meantime, The Financial Post sticks to its own previously expressed estimate that wheat "stabilization" is costing the farmers money now, that it will cost them more in its future results, and that the cost may easily run to $500,000,000 over a term of years.

CANADA CAN NOT AFFORD WATERWAY PROJECT

ADVICES from Washington all seem to agree that the St. Lawrence treaty will be ratified by the United States Senate early in 1935.

President Roosevelt could have come very close to putting the treaty through earlier this year. He had all but three of the necessary votes lined up and a little cracking of the party whip might have rounded up those three votes. But the President probably had other legislation he was even more anxious to get through.

Since the spring, the administration at Washington has handed out to the public a series of clever pieces of propaganda, all of which will have the effect of convincing the man on the street that public development of power is essential and that development of the St. Lawrence is a necessary part of a public power development programme. The U. S. Senate would hardly dare to reject the St. Lawrence treaty. When that body approves the waterway development, the Canadian Parliament will have to take action and it may be that the matter will come before the next session. The Premier of Ontario has already indicated that he has no intention of implementing the agreements between the Dominion and the province regarding the utilization of the St. Lawrence River power. Ottawa will have to decide whether a new agreement with Ontario should precede the ratification of the treaty or otherwise.

Before next spring, when Parliament deals with this matter, the critical condition of provincial and Dominion finance may be more clearly revealed to the average citizen. We are not very far from the point where investors will refuse to put up another dollar to finance deficits as well as contractors' rackets and political grafting jobs such as the waterway promises to be.

Time is against the waterway development because of the increasing burden of our national financial problems.

In the meantime what is needed is a new economic re-examination of the waterway. Spending hundreds of millions of dollars under the stimulus of clever and pointed propaganda, and without adequate consideration of all the financial and economic phases, is the sort of thing that we have done too often in the past and which has brought this country to the verge of bankruptcy.

SILVER AN EXPORT WEAPON IN U.S.A.

THE silver policy of the Roosevelt administration is beginning to assume its true proportions. The minimum purchase of newly mined silver under the purchase order of December 23, 1933, was set at 24,000,000 ounces, roughly the annual output of American mines. The mines have not shown any large increase in output and only 18,000,000 ounces had been received at the various United States mints and assay offices by Dec. 1. Approximately 109,000,000 ounces have been received under the nationalization order of August 9, 1934, and the recent weekly returns of transfers of silver to the United States would indicate that this source is drying up. Another 74,000,000 ounces have been imported.

The government's silver holding as at December 1, 1934, was approximately $900,000,000. On the basis of holding of $8,000,000,000 in gold, enormous purchases of silver are necessary for the silver-gold ratio of 25-75 which the government is under a mandate to achieve.

Since the greater part of this must be spent abroad, it has become apparent that the United States, through its silver policy, has created an additional instrument for aiding exports. America is accepting silver in settlement of favorable trade balances, notably in Mexico, where the larger part of the national production is being purchased directly by the American government. The highly irregular nature of exports of silver from London to the United States strengthens the picture of a close relationship between trends in silver and exchange. Also, Secretary of the Treasury Morgenthau has admitted that purchases have been made in all parts of the world. Despite increasing difficulties in making large purchases, imports of silver are expected to increase, a policy which should progressively ease the strain on gold.

Post-Scripts

A REMARKABLE plaster model of the main plant of the Canadian Westinghouse Co. has been made by A. Anderson, of Hamilton. The model is 8½ feet long and 5 feet wide and is made exactly to scale. The details are so perfect that even every hydrant is placed correctly. The trees have a natural effect and the railway tracks have freight cars on them. The lumber shed in the left foreground has lumber stacked, while there are piles of raw materials and scrap metal in various yards.

The Lilliputian factory took Mr. Anderson three months to build. The plant engineer advises that he only missed a weather vane.

* * *

A RECENT visitor to England comes back with the tale that there has been a marked about-change in the attitude of the upper class Englishman toward "trade." The old idea of the Navy, Army and the Church for the sons of prominent families is rapidly going into the discard. There has grown up a new type of business man, represented by young men who have become "careerists" in business. They are public school men, who have finished off at Cambridge, Oxford or other well-known English universities. They have not only received a sound academic training, but have travelled extensively, know one or more foreign languages and have a comparatively broad knowledge of the arts, drama and music. Their business ability is undoubted and as our informant says, "The new type of English business man is far more progressive than his American prototype."

* * *

AVOIDING ungrammatical constructions is not easy on a big newspaper. The most painstaking care will not always avert the appearance of one or two such solecisms in an issue.

There is less excuse for error in a piece of advertising copy that has been written and rewritten, checked and double-checked, read and proof-read.

John Kirkwood, in Marketing, disapproves of Canada Dry Ginger Ale saying of their Belfast Ginger Ale—"Canada Dry makes it with the same care that **they** make the Champagne of Ginger Ales." Kirkwood says "some of us" expect better things from copywriters and advertisers.

We expect better things of Kirkwood, too. Better, for example, than the statement he makes in the same article that three Toronto newspapers quite often rank "among the first half-dozen dailies of the United States in the matter of total linage."

Does he not mean "among the dailies of North America" or "with the dailies of the United States?"

Sayings of the Week

"Business has learned the value of co-operation."—*Raymond Moley.*

* * *

"Conditions everywhere in the world today are a challenge to our patience and our faith."—*Owen D. Young.*

* * *

"Perhaps we should demand legislation against senile labor, as in the agitation against child labor."—*G. K. Chesterton.*

* * *

"Our greatest asset in the schools is personality."—*Prof. Duncan McArthur, Deputy Minister of Education of Ontario.*

* * *

"We've got to leave the pursuit motive in life, in labor, the sharp goad that whips us on, or there's nothing left."—*Henry Ford.*

* * *

"The northern economic limits of wheat production in Western Canada appear to have been almost reached."—*Prof. D. A. McGibbon.*

* * *

"We ain't going to get any place until we get rid of all those bureaucrats, hobocrats, autocrats and all those other 'crats.'"—*Huey Long.*

* * *

"The citizens in a Fascist state are not equal before the law, but are merely equally subjected to the same injustice."—*Prof. Emil Lederer.*

* * *

"What one person and one group accomplish becomes the standing ground and starting point of those who succeed them."—*John Dewey.*

* * *

"Toleration of free speech only begins when persons listen, decently and fairly, to opinions with which they profoundly disagree."—*Lord Hewart.*

* * *

"At present there is very little party interest in our country; the people are chiefly interested in keeping up the national front."—*John Buchan, British M.P.*

* * *

"At the moment no political or economic programme is too absurd or too unreasonable to receive a certain measure of public acclaim among us."—*Nicholas Murray Butler.*

* * *

"The business of an opposition is to oppose, even when it is opposing measures of the desirability of which it is so convinced that it passes them itself when it gets into power."—*George Bernard Shaw.*

* * *

"A pressing danger to the free press in America and England is the newspaper proprietor who is primarily a millionaire instead of a journalist."—*Sir Willmott Lewis, Washington Correspondent of the London Times.*

* * *

"I am not a politician . . . never have been and hope never to be . . . but the truth of the matter is we have altogether too much government in this Canada of ours."—*Frank A. Rolph, president of the Imperial Bank of Canada.*

* * *

"Ideas and plans, however rationally formulated, are seldom the actual chart of future developments, but are rather explosives which shatter the social structure and furnish the impulses to an unforeseen future."—*Prof. Emil Lederer.*

* * *

"The sad irony of our financing extravagant governmental expenditures through the mechanism of inflation is this fact: that in a subtle way the government is financing itself largely out of the endowment of the nation's public welfare institutions and out of the life insurance policies and savings of the poor."—*Dr. E. W. Kemmerer of Princeton University.*

The World at Large

India Again on Stage

British Politics Face Split Over Proposed Reforms of Government

By JOHN A. STEVENSON

The problem of the relations between India and Britain, which has been for some time past in the background, has now re-emerged in high relief as a dominating issue in the politics of both countries. The publication of the report of a committee of both houses of the British Parliament, whose investigation covered a period of twenty months, is the culmination of seven years' exhaustive study of the best method of achieving constitutional readjustments. The aim is to meet in a satisfactory degree the aspirations of Indian nationalism and at the same time keep India in the British Commonwealth.

The committee, on which almost all shades of party opinion were represented, has heard the views of a long list of witnesses, both Indians and Europeans, who were conversant with different aspects of the problem. Its one serious disability arose from the refusal of the extreme Nationalist element in India, represented by the Congress party, to take any cognizance of or give any assistance in its deliberations.

Proposals Made

The report, which Premier Ramsay MacDonald submitted to Parliament on Nov. 21, proposes an all-Indian confederation of self-governing units in which eleven provinces of British India, two of them new, would be linked with the different native states in a federal system. Each province is to have its own legislative assembly, chosen by direct vote on a limited franchise. Five of the eleven—Madras, Bombay, Bengal, Behar and the United provinces—are also to have an upper chamber. No attempt is being made to introduce parliamentary government into the native states which will continue to be ruled by their own princes under regimes which are in some cases very enlightened and progressive but never very far removed from despotism.

There would be a division of powers, following more or less the same lines as those devised by our constitution between the provincial and federal governments but there the resemblance would cease. To the Viceroy or Governor-General, who will have a Cabinet to advise him there are to be restored power over questions of defence, external relations and some other vital safeguards which the majority of the committee have decided must be retained in British control of the present to exercise a check upon political, economic and financial disturbances.

Two Chamber Parliament

The central federal legislature is to have two chambers whose members are to be elected not by popular vote but to be partly chosen by indirect vote of the provincial legislatures and partly nominated by the self-governing native states. The report also recommends that Burma be separated from India and given its own government and a constitution similar to those bestowed upon the Indian provinces.

Labor Dissents

The committee's report was not unanimous as a dissenting group of Labor members submitted an alternative report in which they urged that the new Indian constitution be so framed as to enable India to attain the goal of full Dominion status, which has been specifically promised to her by spokesmen of Britain like Lord Halifax, a former Viceroy, through a process of internal development without any further recourse to legislation by the British Parliament. The Labor dissentients also object to the proposal that the Viceroy, in addition to his other powers, be given special responsibility through a veto for maintaining the financial stability and credit of the Federation.

On a few minor points the extreme conservatives on the committee also expressed dissent, but most of the leaders of the Tory "diehards" such as Winston Churchill and Lord Lloyd refused to serve on the committee and have kept themselves free to attack the report in Parliament.

Becomes Government Policy

The National Government has accepted the report and will employ the whole weight of its authority and influence to force the necessary implementing legislation through Parliament. The report does not go quite as far as the famous White Paper, which embodied the Government's views on the Indian problem, and the modifications were obviously designed to conciliate wavering Conservatives and weaken "diehard" criticism. The real Tory "diehards" who object to any serious concessions in the direction of greater self-government, have not been placated and say that the report realizes their worst fears. They were greatly encouraged by the fact that at the last national convention of Conservative associations, they came within measurable distance of carrying a resolution critical of the government's Indian policy. They have all their plans laid to put up a bitter fight in Parliament against the government's policy.

On its part the Ministry evidently expect a prolonged parliamentary struggle as it has reserved the full time of the Commons this session for government business.

Attacked by Nationalists

In India the report has not had a very favorable reception; the Nationalist press has raised a violent storm of protest and derided the proposals as hopelessly inadequate from the viewpoint of Indian Nationalism and a gross breach of British pledges to confer self-government upon India, Indian Liberals, who want to preserve the connection with Britain, think that the report does not go far enough and weakens their hands.

In the coming months the report will be the subject of fierce debate both in Britain and India and there are some who predict that the issue will split the British Conservative party wide open and force the creation of a new National party. On the other hand, the fight which the Conservative diehards will put up at Westminster may well serve to persuade reasonable opinion in India that concessions of real value have been made and that a Ministry dominated by Conservatives has gone as far as it could.

Ghandi Out of Politics

Meanwhile a general election for the central legislative assembly has been taking place in India and while, owing to the complicated system of voting, full returns are not available, the results already secured emphasize the strength of the organization of the Congress party and the extent of its hold on the poitically active section of the Indian people. It cannot hope to secure a clear majority as the Indian Government under the present constitution nominates sufficient official members to ensure its control, but the Congress party will be the largest single group in the Assembly and in alliance with the Nationalists, who will vote with it on most fundamental issues, it will be able to muster an opposition of between 40 and 50 or about two-fifths of the Assembly. However, it is all to the good that the Congress has terminated its boycott of the Assembly and returned to the orbit of constitutional politics.

Mr. Ghandi has for the time being abjured active politics and is concentrating his energies on the useful work of the revival of the economic life of the Indian Villages through the Village Industries Association which he has founded.

For the present Canada has no direct interest in the Indian problem but if the Nationalists were to prove hopelessly obdurate and create a situation where Britain would have to exercise the strong hand of repression, she might become involved in the resulting trouble.

As Others See Us

LAW'S SAKES
Toronto Star

The Financial Post finds that Canada has one law-maker for every 11,776 people, while the United States has one per 15,049, Great Britain one per 33,907 and Japan one per 78,275. Law's sakes!

We Lead in Law-makers
Ottawa Journal

The Financial Post has secured statistics from many countries on the numbers of their law makers, finds that Canada leads all the rest with one legislator to 11,778 of the population.

The figure for Canada is reached by the inclusion of parliament and the nine legislatures.

Not many people would go so far as to advocate abolition of our provincial boundaries, but certainly we could get along with fewer of them even in a country of such magnificent distances. To do anything about it, at this stage, is another matter.

It is, however, within the discretion of legislatures to lop off superfluous limbs, and Ontario showed the way in this direction before the recent elections. These provincial bodies all are too large, with the result that not only is money wasted but time also is wasted, issues are confused by floods of words, and ordinary business principles are not always the dominating impulse. If a legislature could imagine itself as a board of directors for a public utility, and that in effect is its real function, it would realize at once that efficiency should not be clogged by a surfeit of members.

Other People's Views

Playing Fair With Investors
Calgary Herald

It is frequently stated that debenture holders are getting full payment while nearly everyone else has had reductions. This is true only so far as interest is concerned. In the case of principal, holders who have had to sell their debentures have lost thousands of dollars because they could only sell them at a considerable discount according to the market at the time when they had to sell. As a matter of fact, the Calgary Sinking Fund trustees have made thousands of dollars by taking advantage of the market and purchasing City of Calgary bonds when they were selling at much below par. To that extent the city has profited at the expense of the bondholders.

The fact should not be overlooked that when Calgary wanted schools, paved streets, sidewalks, new bridges, sewers, a water-supply and other utilities, it sought and secured money to provide same from those who were then able to lend it and who were willing to take the city's bonds as security. There was no effort made or inducement offered by the lenders to get the city to borrow their money.

Low interest rates are desirable and indeed necessary but they will not be obtained by arbitrary or unjust methods. Investors in Calgary bonds are as entitled to fair treatment as investors in goods or services of all kinds. They will only continue to deal with those that experience has shown will deliver just what has been paid for.

"Stop Me If You Have Heard This One"

A boastful American was holding forth on the merits of his watch to a number of uninterested clubmen. At last one of them decided he could stand it no longer.

"That's nothing," he interrupted. "I dropped my watch into the Thames a year ago, and it's been running ever since."

The American looked taken aback. "What," he exclaimed, "the same watch?"

The other rose and slowly moved to the door.

"No," he replied, "the Thames."

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Business Conditions in Canada

The Week in Business

Effects of Mild Weather

WHILE the mild wet weather of the past few weeks in eastern Canada has greatly improved soil conditions and will benefit farmers next year, it has had a bad effect on retail distribution of winter goods. Clothing firms have been the chief losers. Retailers in western Canada make the same complaint but in that area, unfortunately, the mild weather has not been accompanied by rain. There is, therefore, no offsetting credit of better soil conditions. Frequency of orders to wholesalers indicates the paucity of stocks on retailers' shelves.

A recent compilation made by the W. Sanford Evans Service, Winnipeg, indicates that an additional sum of $33,000,000 has been distributed to Prairie farmers this year over last in payment of grains, livestock and butterfat. This represents a gain of approximately 50 per cent. Conditions on the Prairies are very spotty, however, districts a few miles apart showing very different returns. Retailers are feeling the effects of this increased distribution.

* * *

Trade Treaty With U.S.A.

ALTHOUGH preliminary negotiations for a new trade treaty between Canada and the United States are reported to be making some progress, the many problems involved in forming such a treaty make chances of completion in the near future seem remote. Washington has adopted the policy of negotiating trade treaties under the reciprocal tariff act first with countries with which U.S.A. has a favorable balance of trade and those with which trade is relatively small. It appears to prefer to delay negotiations with the others until these treaties have proved successful.

In Canada, there is considerable opposition to negotiation of a trade treaty with U.S.A. under the Trade Agreements Act since the duration of such treaties is limited for three years and may be terminated by the president at any time. Instead, a definite five- or ten-year agreement is favored. In both the United States and Canada, however, the possibility of trade expansion under such a definite treaty appears to be generally recognized. In a recent issue of the Journal of Commerce, New York, for example, it is stated:

"For a number of years Canada has been our best customer. In 1933 she absorbed about 13 per cent of our total exports. No foreign exchange or quota restrictions interfere with the movement of goods and funds between the two countries. Formulation of a reasonable commercial treaty that would take account of current conditions has become desirable. However, it is essential that careful preliminary study be given the problem, and that in this case a lasting treaty be negotiated to remove the matter from continuous changes due to political expediency."

Expect Good Demand for Silver Fox Pelts

From Our Own Correspondent

WINNIPEG. — Competent observers in the Winnipeg raw fur trade estimate that the world's production of silver fox pelts in the 1933-34 season will amount to approximately 400,000. Production in the United States and Canada in the coming season will be about 300,000 skins. Europe and other parts of the world, it is estimated, will produce about 100,000 skins.

The outlook for sale of silver foxes presents the brightest spot in the raw fur trade picture. There are no stocks being carried over as is unfortunately the case with most other classes of fur. The trade is confident that silver foxes will sell freely at prices slightly below those established in the early part of last season. One experienced operator thinks that poorer grades will sell down from ten to 20 per cent but that the best quality skins will hold about unchanged.

A price basis will not be established in Winnipeg for some time, however, owing to the unusually mild fall which has delayed the "priming" of silver foxes on Manitoba ranches. Few skins are appearing on the market and it is doubtful if there will be any quantity of these goods available until the middle of December.

Cap-de-la-Madeleine Pays Interest Due December 1

City of Cap-de-la-Madeleine, Que., has been authorized by the Quebec Municipal Commission to pay interest coupons due Dec. 1, 1934, on bonds issued under by-law 100.

Holders of overdue bonds have been asked to register with F. Beaumier, city clerk, so that cheques covering interest may be mailed.

N.S. Apples For Ontario

Approximately 200,000 barrels of apples have been shipped from Nova Scotia to Ontario and Quebec already this season and growers and exporters in the Annapolis Valley predict that before the season closes more than 300,000 barrels will have been sent to this market, bringing back a total of $750,000 to Nova Scotia.

ATTEMPT TO BOOST FURNITURE PRICES EXPECTED IN 1935

Bankruptcy Looms for Many Firms Unless Prices Raised

Only a price rise in January can save many furniture manufacturing firms from bankruptcy, according to those prominent in the trade. Such being the case, an earnest attempt will be made at that time to bring prices more into line with manufacturing costs, The Financial Post learns. Despite a steadily increasing volume of business being done and higher prices for raw materials, there have been practically no price advances since the low point reached last year.

Since the 1929 peak of prosperity, there have been 32 bankruptcies among furniture manufacturers, including a number of well-known firms. In almost every case creditors had to be satisfied with less than fifty cents in the dollar. Further, bankruptcies of retail furniture firms have been numerous, causing considerable losses to manufacturers.

Banks Reduce Credits

One result of this large number of failures has been that banks are tightening down on credit, according to the trade. Under orders from the banks, inventories have been drastically reduced. Obviously, this has caused price weakness in the retail market.

Volume this year shows an increase of 14.55 per cent as compared with 1933, based on results for the first ten months. Monthly changes in value of sales, as compiled by the Canadian Furniture Manufacturers' Association, are shown in the following table:

Percentage Change in Sales of Furniture

	1933 to 1934	1932 to 1933
January	+29.34	—39.5
February	+20.23	—47.7
March	+23.37	—37.4
April	+22.66	—25.3
May	+10.39	— 2.0
June	— 0.35	+ 6.5
July	+ 8.35	+33.0
August	+ 0.16	+33.6
September	+ 9.42	+ 1.6
October	+21.97	— 2.04*

* Affected by strike in Stratford.

Many Factories Closed

Despite the substantial increase in business shown this year as compared with last, many factories throughout Eastern Canada are closed down or working on short time. One result of the survey of the industry, made under the direction of the Price Spreads Commission has been that wages have been increased in many factories.

While furniture prices have remained at their lowest point there have been numerous increases in the cost of component materials. Mirror glass, for instance, has increased 25 per cent in price from a year ago, while varnish, glue, etc., is also higher. There has been little change in lumber costs, however.

Await Call to Ottawa

Furniture manufacturers have not yet been called before the Price Spreads Commission but are ready to appear at any time. The proposed code, which has been signed by the majority of the leading manufacturers, is temporarily inactive awaiting results of the Ottawa probe.

RETAIL SALES GAIN 6 P.C. OVER 1933

All Types of Stores Report Higher Sales Volume in October

Retail sales in October were 13 per cent higher than in the previous month and six per cent above the total for October 1933, according to a compilation made by the Dominion Bureau of Statistics. The indices are based on calendar month sales of 118 chains and departmental establishments, comprising approximately 2,800 stores. No correction has been made for seasonal influences or price changes.

On the base of Jan., 1929, equals 100, the October general index stood at 83.1 as compared with 73.4 in the previous month and 78.4 in Oct., 1933. All indices but one advanced in October as compared with September, boots and shoes showing some recession. In every case sales were greater than in October last year.

Indices of individual groups are shown in the following table:

Indices of Retail Sales
(Jan., 1929=100)

	Oct. 1934	Sept. 1934	Oct. 1933
Boots and shoes	78.5	83.2	71.7
Candy	65.8	63.0	63.4
Clothing	107.2	77.4	99.3
Drugs	76.5	72.9	72.7
Dyers and cleaners	115.6	112.0	106.0
Furniture	64.5	61.8	55.5
Gen. & dept.	82.7	71.8	80.4
Groceries	81.3	73.7	75.0
Hardware	110.7	108.2	100.3
Music and radio	38.8	33.5	29.0
Restaurants	56.7	56.0	56.4
General	83.1	73.4	78.4

St. Simeon Pays Interest Due to December 1, 1934

Village of St. Simeon, Que., has been authorized by the Quebec Municipal Commission to pay interest up to Dec. 1, 1934, on bonds issued under by-laws, 2, 6 and 9.

Holders of overdue bonds have been asked to register with Armand Asselin, St. Simeon, so that cheques covering interest may be mailed.

Government, Municipal and Corporation Bonds

List of offerings, or current quotations on any issues, furnished promptly on request.

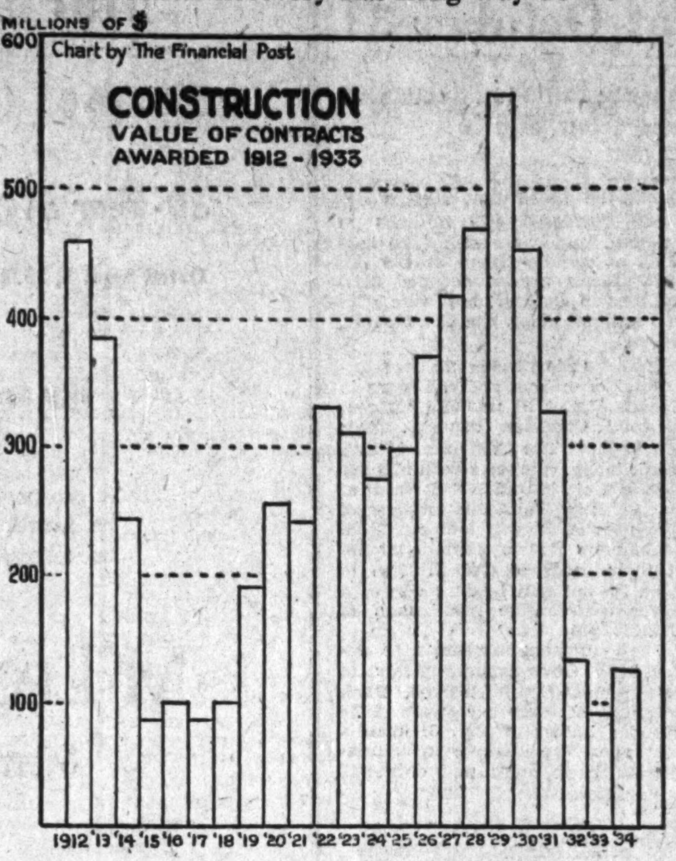
Royal Securities Corporation
Limited

244 St. James Street
MONTREAL

330 Bay Street
TORONTO 2

Offices throughout Canada; also in New York and London.

Construction Recovery Has Long Way To Go



Although improvement has been shown in construction this year over the exceedingly low figure of 1933, recovery has still a long way to go before the high totals of 1927-30 are approached. The total for 1934, as estimated by The Financial Post from eleven months figures of MacLean Building Reports, is less than half the average of the past twenty years of $300 million.

Ontario Leads Recovery Of Construction Industry

Total for the Province This Year More Than 50 Per Cent of Dominion Figure — Dwelling Construction More Active

Ontario leads the marked recovery in construction which has taken place this year, it is revealed by an analysis made by The Financial Post of construction contract totals compiled by MacLean Building Reports, Toronto. More than half of the total of construction contracts awarded during the first eleven months of 1934 is credited to Ontario as compared with an average for that province in previous years of about 40 per cent. New Brunswick, Nova Scotia and British Columbia also report higher totals this year than in the same period of 1933.

In all provinces, this year's totals are higher than those of 1933, the Dominion figure showing a gain of 34 per cent. Despite the improvement, however, the 1934 figures remain far behind those recorded in the ten years prior to 1931. Part of this difference is accounted for by the higher cost of construction in those years. On the basis of 1929 prices it is estimated that the 1934 total would be about 20 per cent higher.

Quebec Total Small

Failure of Quebec to keep pace with Ontario and the Maritimes in recovery is largely responsible for keeping the 1934 Dominion aggregate below 1932. Quebec's share of the Dominion total this year is only 25 per cent as compared with an average of over 30 per cent in previous years.

Contracts awarded during the first eleven months of the past two years, compared with the totals for the same period of this year, are shown in the following table:

Contracts Awarded By Provinces
(First Eleven Months)

	1934 $	1933 $	1932 $
P.E.I.	378,100	321,900	1,071,800
N. B.	4,546,300	3,856,000	3,903,200
N. S.	4,465,700	2,743,100	3,822,100
Que.	31,370,100	29,779,800	51,276,900
Ont.	61,263,100	37,825,400	47,815,800
Man.	3,809,800	2,038,300	4,470,000
Sask.	1,498,800	759,700	2,699,900
Alta.	3,235,000	2,769,600	5,938,700
B. C.	9,182,400	8,958,400	7,683,900
Dom.	119,749,300	89,082,200	128,682,300

More Dwellings Built

Building of residences is the only type of construction which shows improvement this year compared with both 1933 and 1932. Business and engineering construction recorded good gains over last year but have failed to reach the 1932 figures. Industrial construction this year is below that of 1933 but is slightly higher than 1932. Contracts awarded by types of construction appear below:

Construction Contracts Awarded
(First Eleven Months)

	1934 $	1933 $	1932 $
Residence	29,126,000	22,791,500	27,700,200
Business	35,132,300	25,315,500	38,644,900
Industrial	7,880,600	8,749,000	7,710,900
Engineer'g	47,609,800	32,226,200	54,626,300
Total	119,749,300	89,082,200	128,682,300

Construction in November

Contracts awarded in November this year amounted to $10,451,500, approximately $700,000 less than in the previous month. For the eighth successive month, however, the total is higher than in the corresponding month of 1933. There were no extra large contracts awarded during the month. Leading contracts in November were:

Petrolia, Ont., addn. to refinery	$500,000
New Brunswick, power lines and sub stations	450,000
Montreal, P.Q., apartment	200,000
Edmonton, Alta., barracks	200,000
Lebret, Sask., Indian school	164,900
Ottawa, Ont., storm sewer	161,070
East Windsor, Ont., foundry	160,000
Mount Royal, P.Q., 10 duplex flats	120,000
Pointe au Pic, P.Q., ext. to wharf	117,100
Hamilton, Ont., addn. to plant	100,000
Stewart, B.C., power house	100,000
Montreal, P.Q., trunk sewer	99,300

Commodity Prices

PERHAPS the most striking feature of the commodity group in the past fortnight has been the tendency of raw silk to break out of the rut to which it had been condemned for months past. This unexpected price rise cannot be ascribed wholly to the prospect of the settlement of the dyers' strike and a rise in rayon quotations. The incentive has probably come from the decline in Japanese stocks of silk.

Consumption of rubber appears to be greater than shipment and students of the situation are coming to believe that prices for this commodity may be constructively affected in the future. Shipments for October, November and December are expected to total 197,000 tons which consumption is tentatively estimated at 227,000 tons.

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$5.75	$5.00	$5.25
Copper, lb.	.09	.09	.08
Cotton, lb.	.1275	.1255	.1015
Rubber, lb.	.1305	.1294	.0920
Sugar, raw, lb.	.0308½	.0308½	.0315
Silk, lb.	1.32	1.31	1.42½
Wheat (Man.) bu.	.78⅝	.79⅛	.59⅛
Coffee, lb.	.09¼	.09⅝	.07½
Hogs	8.50	8.65	7.00
Weekly Indices			
N. Y. Annalist	116.4	116.6	103.6
Fishers'	79.0	78.9	†63.6
N. Y. Journal of Comm.	76.8	75.8	70.3
Crumps (Brit.)	63.9	64.0	†63.4
U. S. Labor	76.7	76.6	71.7
Canada (D.B.S.)	71.2	71.2	...

† Average, 1933.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
Retail (Oct.)	79.3	79.0	77.6
W'sale (Oct.)	71.4	72.0	67.9
U. S. Labor (Sept.)	77.6	76.4	70.8
Gt. Brit. (Sept.)	71.0	71.2	69.5

Note: Indices on all base 1926 — 100. except N. Y. Annalist which is 1913 — 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic. New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W. Pt. A. basis: hides—heavy native steers; coffee—Rio No. 7, spot, New York; hogs—select bacons, Toronto.

New Westinghouse Mgr. Appointed in Toronto

C. W. Hookway, recently appointed Toronto district manager of Canadian Westinghouse Co., has been associated with the company since 1907 working in the Montreal and Hamilton offices in the sales department.

Mr. Hookway is an engineering graduate of University of Toronto. He is an associate member of the American Institute of Electrical Engineers and a member of the American Transit Association.

Business Indicators Of Canada . . .

Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest— 1934	1933	— Cumulative Total — Jan. 1 to date 1934	1933
Transportation—				
Car loadings (Nov. 24)	▲47,748	44,492	2,117,188	1,846,170
C.P.R. gross earn. (Nov. 30)	$ ▲3,331,000	$ 3,305,000	$ 114,835,000	$ 102,515,000
C.N.R. gross earn. (Nov. 21)	$ 3,155,362	$ 3,002,091	$ 147,078,221	$ 127,668,837
Business Conditions—				
Weekly index D.B.S. (Nov. 24)	▲94.7	82.1	....	....
Business failures (No.) (Nov. 24)	▲24	47	1,300	1,981
MONTHLY DATA				
Business Conditions—				
Financial Post index* (Oct.)	99.0	91.3	....	....
Transportation—				
C.P.R. net earnings (Oct.)	$ ▲4,100,679	$ 4,058,447	$ 17,770,786	$ 14,029,898
C.N.R. net revenue (Oct.)	$ ▲2,809,429	$ 2,542,586	$ 9,951,934	$ 3,449,958
Iron and Steel (October)—				
Pig iron production (tons)	46,573	27,002	325,663	160,872
Steel ingot prod. (tons)	57,975	48,496	643,137	315,325
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (October)	▲1,946	1,606	58,183	37,779
Factory output (October)	2,125	2,723	89,152	50,181
Exports (October)	2,704	2,766	43,389	18,711
Trucks and Buses:				
Domestic sales* (October)	▲696	496	10,498	5,271
Factory output (October)	1,655	959	23,309	10,190
Exports (October)	2,704	2,766	43,389	18,711
Construction—				
Building permits (October)	$ 2,721,919	$ 1,775,052	$ 21,745,919	$ 18,169,066
Contracts awarded (Nov.)	$ ▲10,451,500	$ 10,837,200	$ 119,749,300	$ 89,082,200
Newsprint (tons)—				
Production (October)	235,021	191,452	2,117,228	1,640,004
Exports (October)	204,904	171,946	1,932,825	1,490,170
Sugar (lbs.)—				
Melting & shipments‡	88,258,195	65,532,210	689,342,405	638,110,234
Manufactured‡	126,421,593	112,533,399	713,483,860	685,908,267
Flour (bbls.)—				
Production (September)	1,383,205	1,392,683	10,338,837	10,401,681
Wheat flour exports (Oct.)	485,549	514,368	4,208,597	4,604,639
Trade (October)—				
Imports	$ 47,228,804	$ 41,070,259	$ 424,478,096	$ 322,135,199
Exports	$ 67,747,809	$ 60,488,729	$ 526,911,945	$ 420,436,533
Wheat exports (bush.) (Oct.)	21,807,784	23,611,510	131,807,089	151,672,940
Employment (Nov. 1) D.B.S. Index—				
All industries	97.0	88.4	....	....
Manufacturing	91.0	85.6	....	....
Electric Power Output (October)—				
Total monthly (000's omitted)	1,853,388	1,617,608	17,135,312	14,142,752
Aver. daily	59,787,000	52,181,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports mill (October)	122,849	117,400	1,146,802	815,560
Boot & shoe prod., pr. (Sept.)	1,704,677	2,035,525	14,223,517	15,071,463
Crude petrol., imp. gal. (Oct.)	▲110,637,902	91,713,858	903,635,015	697,680,975
Cotton imports, lbs (Sept.)	7,669,000	7,409,000	94,108,000	68,549,000
Raw rubber imp., lbs. (Oct.)	▲6,816,973	5,779,781	53,808,637	34,419,232
Coal imports, tons (Oct.)	1,560,763	1,204,927	11,363,801	9,139,725
Finance—				
Bank debits† (October)	$ ▲3,409,900	$ 2,823,000	$ 26,734,318	$ 24,651,717
Bond sales (October)	$ 271,227,944	$ 226,055,547	$ 597,181,733	$ 525,348,096
Life insurance sales (Oct.)	$ 31,342,000	$ 33,434,000	$ 306,160,000	$ 309,198,000
Automobile Financing—				
Used cars (September)	$ 1,040,121	$ 764,400	$ 11,150,535	$ 8,491,244
New cars (September)	$ 1,352,349	$ 836,969	$ 14,383,683	$ 8,573,464

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. ‡For 4 weeks to November 3. *Final.

MORE THAN 10 P.C. DOM. POPULATION ON DIRECT RELIEF

Over 250,000 Heads of Families Listed at Ottawa

More than ten per cent of the population of Canada was on direct relief in October, according to a compilation of unemployment recently made at Ottawa. Of the 1,108,513 heads of families and dependents reported as receiving direct relief, 178,485 are segregated as being in the drought areas, chiefly in Saskatchewan.

Outlay for relief purposes in October is stated to be $6,000,000, an increase of $500,000 from the previous month when the number on relief was given as 1,098,130.

Quarter Million Fathers

Heads of families listed number 227,254 with 772,105 dependents, while 30,862 individual persons without dependents are listed. Further, there were 27,813 single men in relief camps, 33,125 received relief in form of wages and 17,354 were being assisted in farm settlement.

Persons on relief in October as compared with the previous month are shown in the following table:

Persons on Direct Relief in Canada

	Oct.	Sept.
Direct Relief—		
Heads of families	191,761	196,885
Dependents	630,771	635,642
Individuals	29,204	23,265
Sub-total	851,736	860,792
Drought Areas (Direct)—		
Heads of families	35,493	30,562
Dependents	141,334	121,489
Individuals	1,658	1,312
Sub-total	178,485	153,263
Miscellaneous—		
Single men in relief camps	27,813	24,535
Relief in wages	33,125	40,105
Farm settlement	17,354	19,625
Total	1,108,513	1,093,130

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Sealed Power Piston Ring Corp., of Muskegon, Mich., will open a plant in the Border Cities, and expects to be in production of piston rings by the first of the year, according to the Border Cities' Star. It is expected that some 30 persons will be employed when the company is in production.

Canadian Postum Co., Windsor, is constructing a new warehouse at a cost of $17,000, according to the Border Cities' Star. There will be no increase in the number of men employed by the company.

Quebec Asbestos Corp., of East Broughton, P.Q., will erect a manufacturing plant at Lennoxville, P.Q., according to the Montreal Gazette.

Quebec Maple Products, Limited, will also construct a plant at Lennoxville, according to the Montreal Gazette.

Modern Methods Products Co. has been organized in Desoronto according to the Desoronto Post. Household mechanical products will be manufactured for this firm by Redi-Heat Electrical Appliance Company, Desoronto.

Continental Paper Products is constructing a $100,000 addition to its Ottawa plant. (See item on this page).

Continental Paper Products Makes $100,000 Addition

Continental Paper Products Ltd., indirectly controlled subsidiary of International Paper & Power Corp., is making a two-story addition to its Ottawa plant at a cost of $100,000. The new wing will increase the floor area by approximately 18,000 square feet.

The ground floor of the new extension is to be used for the manufacture of Continental lines now marketed in Canada. On the second floor new machinery will be installed for the manufacture of lines which are not now being produced in Canada, the company states.

Prairie Farmers Income Higher By $33 Millions

An additional $33 millions has been distributed to farmers in the Prairie Provinces during the first three months of the current crop year as compared with the corresponding period of last year, The Financial Post estimates from a compilation made by the W. Sanford Evans Statistical Service, Winnipeg. The compilation is based on receipts for wheat, other grains, livestock and butterfat.

For the first three months, a total of approximately $108,000,000 has been paid as compared with $75,000,000 last year. In 1932, the amount distributed amounted to approximately $80,000,000.

The value of grain deliveries remains substantially higher than last year due to higher prices for wheat and other grains. Livestock also exceeds 1933 because of advances in both price and volume. Butterfat receipts are about equal to last year.

Values in October as compared with a year ago follow:

Prairie Agricultural Income

	—October— 1934 $	1933 $
Wheat	28,059,194	19,017,178
Other grains	4,077,418	2,439,584
Livestock	2,000,000	2,052,828
Butterfat	511,300	518,462
Total	34,647,912	24,028,052

Failures Sharply Lower First Eleven Months

Failures under the Bankruptcy act in the first eleven months of this year, as disclosed by the Canada Gazette, show a decrease of 34 per cent from last year, the comparative totals being 1,300 and 1,981. Failures are lower in each province with the exception of P.E.I., where they are the same as last year.

Greatest decreases took place in Ontario and Quebec, the number of failures being almost reduced by half in the former province. Failures by provinces follow:

Failures to Nov. 24

	1934 No.	1933 No.
Prince Edward Island	8	8
Nova Scotia	33	59
New Brunswick	34	41
Quebec	730	1,016
Ontario	334	619
Manitoba	47	61
Saskatchewan	33	47
Alberta	30	74
British Columbia	51	56
Total	1,300	1,981

Business Briefs

Car Loadings in the week ended Nov. 24 numbered 47,748 as compared with 50,264 in the previous week and 44,492 a year ago. The adjusted index number declined to 65.37 as against 60.91 a year ago.

Crude Petroleum imports in October totalled 110,637,902 gallons as against 91,713,858 gallons a year ago.

New Automobile Sales in the first ten months of 1934 numbered 68,681, an increase of 59.5 per cent compared with last year.

Raw Rubber Imports in October were 6,816,973 lb. as against 6,205,577 lb. in Sept. and 5,779,781 lb. in Oct. 1933.

A wise *end-of-the-year* Inventory

Not how many items you carry as assets, nor a list of personal possessions—but an inventory of the bequests and provisions you have made in your Will.

Have changing values, re-grading of Succession Duties, changes in beneficiaries, made a re-alignment of your distribution advisable?

Figuring the present value of your assets, do specific bequests seriously decrease the residue available for your closest heirs?

We suggest a careful check-up and should your inventory show the wisdom of a changed plan, please feel free to consult us.

Executor and Trustee since 1897

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TORONTO

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COTTON FABRICS & YARNS
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Basic raw materials for many Canadian Industries.

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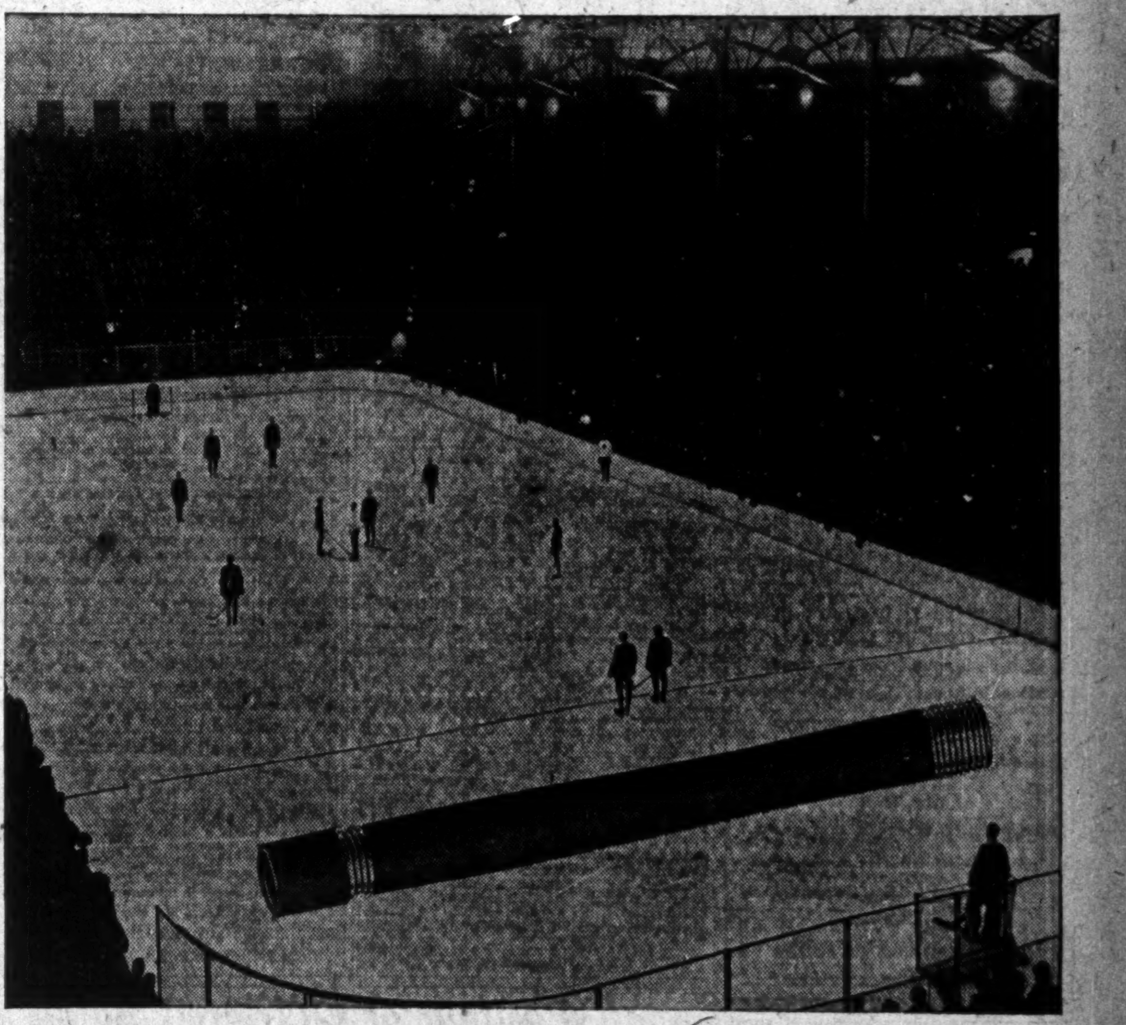

42,000 feet of STELCO PIPE under this famous ice surface

STELCO PIPE

The Forum is the Montreal home of Big League Hockey. The Maroons and Les Canadiens play all their home games on its 17,000 square feet of ice. When the management decided to renew the 8 miles of piping which carries the freezing liquid required to make the ice, they chose Stelco Pipe. It was installed under the direction of Superintendent Newberry.

Stelco Pipe is always dependable — it resists corrosion because it is scale free; it is always true round, because it is cold straightened. Specify Stelco for all kinds of pipe work. Jobbers everywhere carry it.

Stelco Galvanized Sheets were used in the air-conditioning system in the Forum.

THE STEEL COMPANY OF CANADA, LIMITED
HAMILTON - EXECUTIVE OFFICES - MONTREAL
SALES OFFICES: HALIFAX, SAINT JOHN, MONTREAL, TORONTO, HAMILTON, WINNIPEG, VANCOUVER
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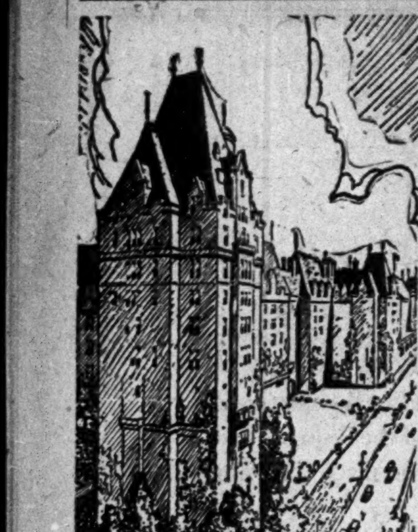

Empress Hotel, Victoria, B.C.

Enjoy Winter in
CANADA'S
EVERGREEN
PLAYGROUND

GO WEST this Winter! Bask in the sunshine and flowers of Vancouver Island—here the climate parallels the climatic optimum, tempered by the Japan current. Enjoy, too, year-round golf on championship courses, riding, fishing, yachting, motoring, tennis . . . swim in the Crystal Garden, the popular glass-covered, warm sea-water pool.

Spend your Winter holiday at the picturesque EMPRESS HOTEL, Victoria, a celebrated Canadian Pacific hostelry . . . the charming social centre of Canada's Evergreen Playground. The Old-English Yuletide Festivities over Christmas-New Year bid you a joyous welcome. Enter in the EMPRESS Mid-Winter Golf Tournament February 18-23, 1935.

SPECIAL WINTER RATES in effect till April 30, 1935

Monthly Rate—For stay of one month or longer. Single with bath, $67.50 up; double (2 persons) $90 up.

Day Rate—For stay of two weeks or longer. Single with bath, $3.00 up; double (2 persons) $4.50 up.

Day Visit Rate—Single with bath, $3.50 up. Meals at Popular Prices.

While in Vancouver stay at the HOTEL VANCOUVER — high in standard, low in cost.

Low rail fares to Vancouver, Victoria, B.C., and Seattle. Tickets good going Dec. 15 to Feb. 28. Return limit April 30. Stop-over allowed at all intermediate points.

Information from Hotel Managers or any Canadian Pacific Agent.

1338

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An Outstanding
NEW YORK HOTEL

The DELMONICO, exceptionally well-located for both business and social interests . . . An unexcelled residence for the day, week or month.

Single Rooms from $4 per day
Double Rooms from $6 per day
Suites from $8 per day

DELMONICO RESTAURANT
INTERNATIONALLY FAMOUS

HOTEL
DELMONICO
Park Avenue at 59th
NEW YORK

UNDER RELIANCE DIRECTION

Winnipeg's Newest Hotel
The Marlborough
In the Heart of the City
Fireproof Construction
European Plan
Rates in Keeping with the Times
220 Rooms

Canadian Pacific Express
Travellers Cheques
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Bank Chat
on
Current Topics

Titters in New Money

PERHAPS unconsciously, but certainly by design, the powers that be at Ottawa have given humorists ample scope for comment on the new Bank of Canada notes, now in process of creation.

The one is to be green, reminiscent of the Emerald Isle, and for the wearing of which they're still hanging men and women in the song. The five and the two are orange and blue; respectively, if not respectfully, reminding of King Billy. The black and purple tinting of the ten perhaps indicates the result of the conflicting of the green one with the orange and blue five and two.

* * *

Royalty in Order

ROYALTY appears on the currency in order of the importance in circulation of the various denominations. The King is on the face of the one, the Queen on the two; the Prince of Wales on the five; Princess Mary on the ten; Princess Elizabeth on the 20; the Duke of York on the 50; the Duke of Gloucester on the 100.

* * *

Two Famous Knights

FOR the benefit of those who may never lay eyes on one, the $500 note carries the portrait of Sir John A. Macdonald, founder of the "national policy," first premier of confederated Canada, and hero of all good Tories. On the basis of the ranking of the Royal portraits, this would seem to give Sir John prior rating to Sir Wilfrid Laurier, who apears on the $1,000 note. Staunch Grits, however, will note that it takes two of Sir John to make one of Sir Wilfrid.

The new notes literally make Sir John and Sir Wilfrid roll over in their graves. The reverse side of the $500 note depicts agriculture, which furnished much of the opposition to the national policy of Macdonald. Similarly, Sir Wilfrid's portrait is backed on the $1,000 by "protection," an allegorical engraving of a woman shielding the child in her arms. And yet Sir Wilfrid's name is remembered chiefly for Imperial preference, a tariff reducing measure, and for reciprocity and the low tariff platform of 1911.

The designs of the $500 and $1,000 notes are evidently intended to mollify any who might interpret the pictures of the two famous knights as indicative of the entry of politics into the affairs of the Bank of Canada.

* * *

Unsightly Coins

INCIDENTALLY, it is reported that Hon. E. N. Rhodes, Minister of Finance, plans to improve the design of the Canadian coinage as well as that of the national paper currency. He could well afford to start with the present five-cent and one-cent pieces, which, despite their humble buying power, are surely entitled to be respectable. There are probably no more unsightly pieces in circulation in the British Empire than these.

* * *

Staff Changes

The Canadian Bank of Commerce announces the following staff changes:

F. A. MATHESON, formerly manager at Prince George, B.C., to be manager at Chilliwack, B.C.

S. G. HILEY, formerly assistant inspector at Winnipeg, Man., to be manager at Minnedosa, Man.

Bank of Montreal announces the following staff changes:

R. N. BELL, formerly manager at Neepawa, Man., to be manager at Bloor and Lansdowne, Toronto.

H. N. BECKER, formerly of the superintendent's department, Toronto, to be manager at Norwich, Ont.

B. J. CURRIE, formerly assistant inspector at head office, to be manager at Rideau St., Ottawa.

Current Events in Banking World

OCTOBER DEBITS UP 20.8 PER CENT TO 4-YEAR PEAK

Month's Gains General Across Canada; Velocity Increases

Cheques charged to individual bank accounts in the 32 clearing centres of Canada were higher in October than for any October since 1930, according to the Dominion Bureau of Statistics. October cheque debits totalled $3,409.9 millions compared with $2,823.4 millions in the same month a year ago, a gain of 20.8 per cent, and reflecting increased business activity.

In the first 10 months of 1934, debits totalled $26,734 millions, compared with $24,652 millions in the same period of 1933, an increase of 8.4 per cent. Each of the five economic areas except the prairies showed a gain. The increase in Ontario was 13 per cent; in the maritimes, 11.4 per cent; Quebec, 10.6 per cent, and British Columbia, 8.9 per cent. Debits were down 3.5 per cent in the prairie provinces for the 10 months.

Gains General

Compared with September, the October debits showed an advance of 7.2 per cent after the Bureau's seasonal adjustment, which put the respective indices at 109.4 and 117.3.

In comparison with the 1933 month, October debits were higher in each of the five economic areas. Gains were: prairies, 26.8 per cent; Quebec, 24.7 per cent; Ontario, 16.6 per cent; British Columbia, 15 per cent; maritimes, 7.8 per cent.

Ratio of bank debits to deposits in October was 179.4 per cent, compared with 151.5 per cent in the 1933 month. Deposits were up only two per cent, but debits gained 20.8 per cent, so that velocity of transfers of funds rose sharply.

Debits by cities follow:

Bank Debits to Individual Accounts

Clearing Centres	October, 1934	October, 1933
	$	$
Maritimes—		
Halifax	22,865,880	23,454,422
Moncton	7,663,944	6,570,817
Saint John	16,375,732	13,451,036
Total—Maritimes	46,905,556	43,476,275
Quebec		
Montreal	897,777,196	725,588,685
Quebec	56,326,935	38,523,956
Sherbrooke	5,471,459	5,553,217
Total—Quebec	959,575,590	769,665,858
Ontario—		
Brantford	8,927,431	8,290,433
Chatham	6,105,711	5,759,323
Fort William	4,572,309	3,870,492
Hamilton	60,289,290	44,493,757
Kingston	4,683,459	4,406,559
Kitchener	11,911,744	9,109,234
London	33,355,262	28,206,514
Ottawa	191,572,491	106,763,093
Peterborough	4,229,635	4,190,654
Sarnia	6,715,413	7,382,911
Sudbury	4,497,251	3,801,299
Toronto	1,133,270,881	1,034,562,069
Windsor	16,988,192	14,414,146
Total—Ontario	1,487,119,069	1,275,250,484
Prairies—		
Brandon	2,687,296	2,818,030
Calgary	50,556,482	50,268,848
Edmonton	36,092,755	32,056,030
Lethbridge	4,425,722	3,676,055
Medicine Hat	2,828,987	2,132,008
Moose Jaw	5,510,050	4,434,175
Prince Albert	2,064,187	1,694,420
Regina	60,552,729	39,528,348
Saskatoon	10,568,882	9,477,649
Winnipeg	587,294,329	455,382,285
Total—Prairies	762,581,399	601,467,848
British Columbia—		
N. Westminster	5,230,857	4,156,958
Vancouver	119,542,529	109,694,969
Victoria	28,920,845	19,644,872
Total—B. C.	153,694,231	133,496,799
Total for Canada	3,409,875,845	2,823,357,264

Greater Use Bank Credit Shown at October 31

But Banks as a Group Still Placing Funds in Securities — Credit Index Rises from 51.6 to 52.5 Per Cent

Increasing use of bank credit in Canadian business, apparently indicative of seasonal demand, is reflected in the compilation of combined bank assets by The Financial Post from the bank statement for Oct. 31.

The combined statement, however, reveals that the banks as a group are still being forced to increase their investments in securities to keep funds employed.

Net Changes Shown

Changes in total loans and investments in Canada and in total Canadian deposits are as follows:

Use of Bank Credit in Canada
($000,000's)

	Oct. 31 1934	Sep. 30 1934	Ch.	Oct. 31 1933	Ch.
Loans	1,137.5	1,111.4	+26.1	1,147.9	—10.4
Inv'ts	910.6	887.9	+22.7	881.7	+28.9
Total	2,048.1	1,999.3	+48.8	2,029.6	+18.5
Deposits	1,912.6	1,900.2	+12.4	1,870.6	+42.0

This compilation shows that loans gained more than investments as a source of employment of funds in October. But compared with Oct. 31, 1933, total loans lost ground, and investments took up the slack.

To complete this examination, it should be noted that foreign deposits decreased $8.9 millions in October, they were still $22.5 millions above the figure at Oct. 31, 1933. Loans abroad dropped $11.4 millions in October, but were only $4.5 millions below the Oct. 31, 1933, figure.

Credit Index Up

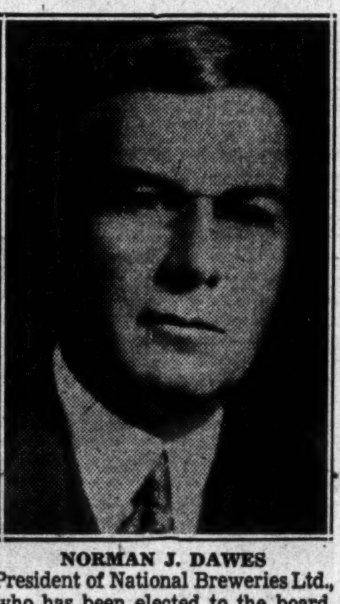
Total of current and call loans in Canada at Oct. 31 was 52.5 per cent of total Canadian deposits. This proportion, The Financial Post's credit index, compares with 51.6 per cent at Sept. 30 and 54.6 per cent at Oct. 31, 1933. Thus, this measure of the use of credit indicates that banks were able to make better use of their funds at Oct. 31 than at Sept. 30, but that lending was on a lower comparative plane than at Oct. 31, 1934.

The statement continues to reflect the Government's policy of issuing more Dominion notes. Bank holdings of currency were $27.6 millions higher at Oct. 31 than a year ago. The increase in circulation of bank notes was only $6.8 millions over Oct. 31, 1933.

	Oct., 1934	Sept., 1934	Change	Oct., 1933	Change
ASSETS					
Immediately Available Liquid Resources					
	$	$	$	$	$
Specie	50,044,176	49,014,602	+ 1,029,574	49,370,583	+ 673,593
Dom. notes	161,959,910	157,796,270	+ 4,163,640	134,330,661	+ 27,629,249
Gold reserve	22,381,732	21,981,732	+ 400,000	16,681,732	+ 5,700,000
Foreign banks	85,530,868	93,187,507	— 7,656,639	92,628,125	— 7,097,257
Foreign curr.	21,898,468	20,130,708	+ 1,767,760	19,111,472	+ 2,786,996
Govt. secs., short term	339,838,895	365,528,953	— 25,690,058	661,510,868	+ 70,889,438
Do., long term	392,561,411	345,364,664	+ 47,196,747		
Call loans abroad	103,917,364	112,619,515	— 8,702,151	94,971,171	+ 8,946,193
	1,178,132,824	1,165,623,951	+ 12,508,873	1,068,604,612	+109,528,212
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	90,722,896	90,676,709	+ 46,187	165,122,812	— 25,826,864
Public secs.†	48,573,052	45,362,893	+ 3,210,159		
Other secs.	38,879,611	40,966,418	— 2,086,807	55,030,983	— 16,151,372
Can. call loans	108,399,690	101,449,577	+ 6,950,113	110,790,427	— 2,390,737
Current loans	895,728,990	879,761,929	+ 15,967,061	912,211,074	— 16,482,084
Loans abroad	133,501,054	136,216,846	— 2,715,792	146,918,487	— 13,417,433
Prov. loans	26,512,191	19,070,900	+ 7,441,291	23,038,839	+ 3,473,352
Mun. loans	106,853,952	111,132,533	— 4,278,581	101,855,675	+ 4,998,277
	1,449,171,436	1,424,637,805	+ 24,533,631	1,514,968,297	— 65,796,861
Other Assets					
Non-curr. loans	14,242,976	14,146,890	+ 96,086	13,918,958	+ 324,018
Real estate	8,213,645	8,165,329	+ 48,316	7,899,949	+ 313,696
Mortgages	5,797,133	5,801,131	— 3,998	6,325,732	— 528,599
Premises	78,044,381	78,053,722	— 9,341	78,726,285	— 681,904
Lets. of credit	52,688,547	55,218,879	— 2,530,332	49,079,901	+ 3,608,646
Loans to comp.	13,253,752	13,343,916	— 90,164	13,051,899	+ 201,853
Other assets	1,678,483	1,742,467	— 63,984	1,588,630	+ 89,853
	173,918,917	176,472,334	— 2,553,417	170,591,354	+ 3,327,563
Total	2,801,223,177	2,766,734,090	+ 34,489,087	2,754,164,263	+ 47,058,914
Note circ. dep.	6,707,486	6,704,182	+ 3,304	6,497,182	+ 210,304
Int. bank bal.	113,404,426	96,903,086	+ 16,501,340	108,004,473	+ 5,399,953
Gross	2,921,335,089	2,870,358	+ 50,993,731	2,868,665,918	+ 52,669,171
LIABILITIES					
To the Public					
Circulation	139,843,608	148,239,227	— 8,395,619	133,042,841	+ 6,800,767
Dom. Govt.	90,306,854	33,691,639	+ 56,615,215	83,101,441	+ 7,205,413
Prov. Govt.	35,439,794	37,039,757	— 1,599,963	29,084,985	+ 6,354,809
Govt. advances	37,697,000	37,697,000	....	41,344,000	— 3,647,000
Deposits by Public					
Demand dep.	542,443,750	523,211,845	+ 19,231,905	520,868,256	+ 21,575,494
Savings dep.	1,370,178,568	1,376,959,756	— 6,781,188	1,349,769,247	+ 20,409,321
Total	1,912,622,318	1,900,171,601	+ 12,450,717	1,870,637,503	+ 41,984,815
Foreign dep.	313,400,563	322,313,009	— 8,912,446	290,949,399	+ 22,451,164
Due to Banks Abroad, Etc.					
United Kingdom	5,862,023	5,995,544	— 133,521	4,240,717	+ 1,621,306
Foreign	22,026,953	21,585,417	+ 441,536	27,796,203	— 5,769,250
Bills payable	871,444	896,908	— 25,464	1,387,999	— 516,555
Lets. of credit	52,688,547	55,218,879	— 2,530,332	49,079,901	+ 3,608,646
Other liabs.	1,980,007	1,913,183	+ 66,824	2,244,651	— 264,644
Total public liab.	2,612,739,111	2,564,762,164	+ 47,976,947	2,532,909,640	+ 79,829,471
Due bet. banks	14,158,418	12,166,383	+ 1,992,035	12,476,155	+ 1,682,263
Liability to Shareholders					
Dividends	948,250	630,866	+ 317,384	967,158	— 18,908
Reserve	132,750,000	132,750,000	....	162,000,000	— 29,250,000
Capital	145,500,000	145,500,000	....	144,500,000	+ 1,000,000
Gross	2,906,095,779	2,855,809,413	+ 50,286,366	2,852,852,953	+ 53,242,826
Credit index*	52.5%	51.6%	+ 0.9%	54.6%	— 2.1%

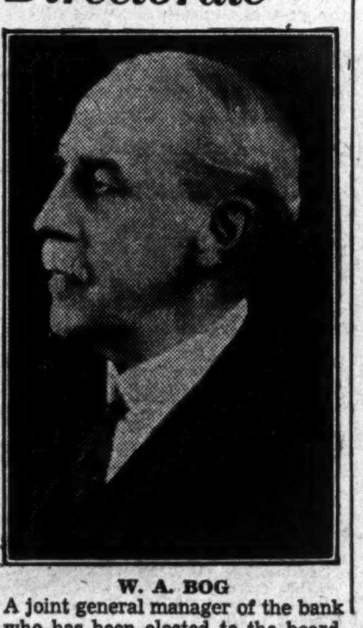
* Ratio of current and call loans in Canada to demand and savings deposits in Canada.
† Other than Canadian.

Bank of Montreal Adds to Directorate



NORMAN J. DAWES
President of National Breweries Ltd., who has been elected to the board.

W. SANFORD EVANS
Prominent figure of Winnipeg, who has been named director of the bank.



W. A. BOG
A joint general manager of the bank who has been elected to the board.

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COST $750,000 FOR NEW OFFICE IMPERIAL BANK

Imperial Bank of Canada's new head office may be the scene of the next annual meeting and will cost about $750,000, instead of the approximate $1,000,000 hitherto mentioned, according to statements made at the shareholders' meeting on Nov. 28 by president Frank A. Rolph and general manager A. E. Phipps.

Mr. Rolph told shareholders: "We have some slight hope that our next annual meeting will be held in the new building." And Mr. Phipps remarked on the expenditure: "Its cost has been stated to be something under $1,000,000, but we expect to complete it for some $750,000."

The bank has occupied its present head office on Wellington St., Toronto, since 1875, and Mr. Rolph frankly admitted that it is "out of date." He also disclosed that the bank has been considering erection of a new head office for years. The property at the northwest corner of King and Yonge Sts., Toronto, was purchased for this purpose many years ago, but was later expropriated by the Dominion Government for the C.N.R.

Wrecking of buildings has already started at the new site at King and Bay Sts. Mr. Phipps stated that the building will be devoted entirely to the bank's use, except for some small space for future expansion which will produce revenue for the present. The Wellington St. building will be maintained as a branch.

Montreal and Imperial Exchange Branch Business

Bank of Montreal and Imperial Bank of Canada have arranged a "saw-off" exchange of business in connection with the closing of two Saskatchewan branches.

Bank of Montreal is closing its branch at Bromhead and the business is being transferred to the Imperial at Tribune. The Imperial Bank has closed its Benson branch, and the business has been transferred to the Bank of Montreal's branch at Lampman.

1832 1934

Enduring Principles...

POLICIES change with changing conditions, but fundamental principles endure. Sound banking practice and dependable and courteous service are the guiding principles of those charged with the direction of this Bank.

•

World-wide facilities in every department of banking

•

Coast to Coast in Canada

NEWFOUNDLAND,
JAMAICA,
CUBA,
PUERTO RICO,
DOMINICAN REPUBLIC

•

NEW YORK,
CHICAGO,
BOSTON,
LONDON, ENGLAND

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE

34-10

Weekly Bank Clearings

	Nov. 29 1934	Change Year Ago	Nov. 22 1934
	$	%	$
Halifax	$ 1,945,684	+ 6.1	$ 2,494,211
Saint John	1,472,616	— 0.5	1,612,292
Moncton	947,806	+ 47.4	688,314
Sherbrooke	513,292	+ 18.6	524,374
Quebec	3,431,696	+ 0.08	4,259,866
Montreal	94,275,604	— 1.1	94,389,622
Ottawa	4,340,555	+ 15.3	4,874,215
Kingston	463,035	+ 3.4	521,629
Peterborough	555,145	+ 15.6	537,438
Toronto	106,795,820	+ 7.6	124,176,832
Hamilton	3,398,761	+ 15.8	3,632,233
Kitchener	850,682	+ 19.7	1,064,636
Brantford	589,882	+ 2.3	795,240
London	2,224,199	+ 5.6	2,530,486
Windsor	1,841,731	— 4.5	1,872,662
Chatham	500,366	+ 12.7	561,452
Sarnia	331,044	+ 30.1	547,304
Sudbury	737,763	+ 31.6	601,987
Ft. William	529,235	+ 30.1	755,077
Winnipeg	48,622,760	— 18.6	54,298,978
Brandon	272,659	+ 23.7	326,582
Regina	3,535,031	+ 11.6	4,135,208
Moose Jaw	400,564	+ 3.4	557,883
Saskatoon	1,257,583	+ 21.1	1,604,792
Prince Albert	332,309	+ 64.2	315,729
Edmonton	3,786,290	+ 23.1	4,164,270
Calgary	5,296,922	+ 3.8	6,716,544
Medicine Hat	181,090	— 15.0	257,707
Lethbridge	393,780	+ 18.1	522,397
N. Westminster	497,986	+ 37.5	459,810
Vancouver	13,599,653	+ 1.7	14,677,890
Victoria	1,222,722	+ 6.3	1,343,509

Position of Chartered Banks of Canada as of October 31, 1934, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Balances Due to Provincial Governments	Advances under Finance Act	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	$	$	$	$	$		$	$	$	$	$	$	%	$	$	$	$
Montreal	35,255,876	36,803,966	9,897,320	9,000,000	138,028,592	380,042,392	57,439,599	2,869,035	1,464,507	3,673,420	185,183	6,522,749	1,386,724	728,989	38,000,000	36,000,000	757,298,357	50,000,000	36,000,000	8	1,019,563	15,086,612	58,760,769	37,659,965
Nova Scotia	12,356,337	9,366,985	2,331,770	3,214,000	36,158,814	130,117,056	35,048,721	2,726,150	75,728	1,435,004	254,518	6,124,120	151,166	7,773	24,000,000	12,000,000	275,368,147	15,000,000	12,000,000	12	2,857,972	9,089,207	12,276,448	13,168,475
Toronto	6,525,109	2,377,113	1,235,759	1,500,000	22,996,596	62,767,322	....	914,116	125,280	802,900	....	735,025	82,954	1,209	9,000,000	6,000,000	115,063,388	10,000,000	6,000,000	10	1,108,486	400,200	3,113,500	7,089,789
Provinciale	4,142,416	516,856	55,531	2,600,000	4,799,570	32,209,118	....	130	....	42,038		75,579	3,637	4,320	1,000,000	4,000,000	49,449,200	5,000,000	4,000,000	6	842,630	251,286	467,678	4,273,993
Commerce	26,067,403	17,376,007	6,435,432	7,000,000	115,467,483	280,776,566	44,053,708	932,920	681,405	4,792,542	29,985	14,983,719	....	6,573	20,000,000	30,000,000	569,603,750	50,000,000	30,000,000	8	4,701,015	10,466,000	33,375,000	28,041,722
Royal	33,051,202	17,447,874	10,952,934	9,000,000	130,257,192	265,605,649	171,922,989	1,480,748	654,667	8,507,206	367,487	19,976,109	58,990	16,424	20,000,000	35,000,000	744,299,479	50,000,000	35,000,000	8	1,673,027	12,317,840	32,035,318	35,236,070
Dominion	6,497,478	1,287,809	954,533	1,956,000	25,981,130	60,375,720	3,762,779	1,567,882	137,818	341,854	....	2,188,156	296,481	2,074	7,000,000	7,000,000	119,349,721	10,000,000	7,000,000	10	1,690,210	676,000	2,612,000	7,184,728
Nationale	7,256,759	1,039,630	1,328,126	1,753,000	21,321,960	78,299,539	1,172,767	1,028,726	11,654	150,345	....	595,105	....	4,457	5,000,000	7,000,000	125,962,072	10,000,000	7,000,000	8	232,398	921,321	2,684,943	7,891,624
Imperial	8,375,638	3,498,177	2,248,389	1,590,000	24,972,486	76,042,889	....	2,254,426	199,381	883,969	....	435,066	....	176,431	8,000,000	7,000,000	135,676,856	10,000,000	7,000,000	10	589,736	518,093	4,760,837	9,324,938
Barclays (Can)	315,390	592,437	....	84,000	2,459,927	3,942,317	....	384,285	2,511,583	1,397,675	34,271	52,919	....	....	750,000	1,500,000	14,024,809	1,500,000	1,500,000	......	....	12,105	87,380	360,855
Total	139,843,608	90,306,854	35,439,794	37,697,000	542,443,750	1 370,178,568	313,400,563	14,158,418	5,862,023	22,026,953	871,444	52,688,547	1,979,952	948,250	132,750,000	145,500,000	2 906,095,779	211,500,000	145,500,000	......	14,715,037	49,709,264	150,182,923	150,231,989

*And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.	Other bonds and stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves*	Invts. in controlled cos. and other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	15,127,994	62,719,116	2,401,016	363,777	26,269,901	280	5,669,266	11,121,650	149,192,665	135,716,136	17,147,832	12,350,509	3,633,558	8,399,657	32,133,844	180,902,159	8,816,921	7,368,698	33,547,778	3,841,483	490,068	997,906	14,500,000	6,522,749	1,637,307	9,000,000	235,897	759,108,178
Nova Scotia	9,220,260	11,389,373	886,647	2,268,862	8,711,055	....	3,087,679	4,377,207	23,116,743	46,163,989	12,986,917	909,399	8,191,535	10,048,742	3,153,987	90,254,122	13,035,472	443,977	8,429,097	975,459	....	104,876	7,433,631	6,124,120	543,752	1,750,000	2,913,425	276,520,887
Toronto	418,617	4,072,359	404,920	32,323	5,947,926		1,568,867	901,948	5,824,708	24,274,081	5,405,311	69,185	493,068	5,711,769	....	48,971,332	....	....	5,694,278	474,369		42,306	3,631,685	735,025	325,275	1,230,866	....	116,230,218
Provinciale	265,396	490,955	406,985	75,042	1,826,915	986,626	35,501	175,563	2,644,737	6,368,731	9,918,814		2,975,519	5,215,800	....	13,820,199	....		903,662	183,194	668,115	374,700	2,147,293	75,579	192,400	....	119,594	49,871,339
Commerce†	10,514,298	35,368,659	1,842,925	907,639	16,661,815	10,807	762,958	12,071,041	70,179,628	60,485,420	11,459,667	17,608,346	6,251,046	28,080,692	26,950,257	175,014,947	13,977,758	10,161,016	27,014,689	3,442,731	2,665,458	2,555,626	14,778,299	15,983,719	1,250,000	4,000,000	4,356,894	574,356,548
Royal‡	12,344,640	33,592,281	2,323,586	18,065,311	22,959,594	444	6,756,563	26,426,737	70,459,273	63,923,738	6,513,640	17,355,546	11,729,295	29,507,998	39,263,303	222,778,758	97,081,657	803,819	9,759,573	4,089,773	2,739,164	876,595	17,036,837	19,976,109	1,600,000	3,000,000	6,893,124	747,857,269
Dominion	681,189	3,078,993	665,365	61,723	5,800,449	....	675,546	1,128,939	5,202,007	18,429,601	4,283,221	....	1,901,232	8,417,579	2,416,023	55,259,913	518,455	595	1,833,329	403,033	86,341	37,488	5,945,366	2,188,156	317,367	400,000	143,680	119,925,782
Nationale§	926,969	1,910,659	479,155	84,164	4,799,595	224,105	982,331	678,320	8,870,346	15,089,617	17,401,000	280,067	3,515,276	5,289,890	....	39,476,566	70,791	4,534,073	12,070,649	522,866	1,368,244	407,599	6,121,270	595,105	369,423	1,000,000	91,730	127,159,813
Imperial	531,544	9,283,913	388,510	38,413	6,744,666	606,103	884,654	1,782,331	3,611,065	20,126,944	5,465,264	....	154,007	7,012,892	....	58,926,933	....	3,200,013	7,550,297	298,332	196,255	400,037	6,000,000	435,066	456,723	2,000,866	177,792	136,272,631
Barclays (Can)	13,269	53,402	14,225	1,214	546,830	1,493,981	4,733,221	1,710,546	737,723	1,983,154	141,230	....	35,075	714,500	....	1,324,061	....	....	....	11,735	....	....	450,000	52,919	15,239	....	....	14,032,330
Total	50,044,176	161,959,910	9,813,334	21,898,468	100,268,746	3,322,346	25,156,586	60,374,282	339,838,895	392,561,411	90,722,896	48,573,052	38,879,611	108,399,690	103,917,364	895,728,990	133,501,054	26,512,191	106,853,952	14,242,976	8,213,645	5,797,133	78,044,381	52,688,547	6,707,486	22,381,732	14,932,136	2,921,335,089

* Of this deposit $5,181,732 is in gold coin; the balance is in Dominion notes.

* The business of the bank in Paris, France and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

† The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡ The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

§ The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return.—Footnote to Banque Canadienne Nationale return.

THE FINANCIAL POST
SECOND SECTION
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Canada's Biggest Problem

SAVING THE C. N. R.

Railway Deficits are Not Political Issue But One For Every Citizen To Face Frankly

THERE are many people in Canada who are ready to wait for prosperity to solve the railway problem. But increased traffic alone cannot end deficits on the Canadian National Railways, particularly if it is to be simply an excuse for new spending.

What is required is the immediate implement of the Duff Commission recommendations for non-political operation, for operating economy to the ultimate degree, for co-operation between the major railway systems.

Leadership in these directions should come from the Trustee Board of the Canadian National Railways and should have the support of every Canadian citizen.

In some quarters there is a disposition to regard every person who asks for more efficient operation of the government lines as either an antagonist of the C. N. R. or a spokesman for the Canadian Pacific Railway.

This is an untenable criticism. Those who are the strongest advocates of government ownership, who are the most insistent supporters of the Canadian National Railways, are the ones who should be leading the campaign to save the Canadian National Railways from continuance of the present large deficits.

* * * *

Public Ownership Not in Question Now

IT MAY be that some deficit is unavoidable. This viewpoint was expressed by a business man who remarked the other day, "This is not a $100,000,000 problem. You have to write out the deadwood. It then becomes, say, a problem of meeting a loss of $50,000,000 a year. And I think that the country is better off meeting that loss than paying the price of a railway monopoly."

This view raises for consideration a number of points. Even if one were to accept the general argument as fair and reasonable one might properly ask, "But why pay $50,000,000 a year for that insurance or luxury or service when, by economy and efficiency, we might have it at $25,000,000 a year or $10,000,000 a year, or possibly at no burden at all on the taxpayers?"

In pleading for greater efficiency and operating savings in our railway operations, The Financial Post does not consider that government versus private ownership, or competition versus amalgamation are under discussion.

These questions are always inherent in the railway problem. The Financial Post is not here discussing them.

What The Post is asking for is something that everyone in Canada can support: a fair and thorough trial of the Duff Commission recommendations.

* * * *

The First Step That Should Be Taken

THE FINANCIAL POST, in this series of articles, has been urging as one of the first steps that ought to be taken by the new Board of Trustees, a complete study of the railways' operations by a group of outside experts. This would not be a survey by Parliament, and probably not even a survey for publication; rather a survey for the benefit of the Board of Trustees to guide them in their work.

Since coming into office they have added but little to the economies effected before January 1 last. Rather, to judge from the published statements of the chairman, C. P. Fullerton, they regard further economies as politically undesirable. They have failed to grasp the purpose of their appointment, which was, in the words of the Duff Commission, to emancipate the National Railways from political interference and community pressure; to attain the scale of economies which would bring the burdens of the National system within reasonable dimensions and effectively check extravagances and costly operation.

It is freely urged on behalf of the trustees that they have done all that could be done to cut expenses. There is plenty of evidence to the contrary.

Any group of men put in charge of a large and bankrupt concern, and told to make a success of it, would begin their work by a study of every phase of operations, with particular reference to efficiency and cost. They would draw upon their own background and experience. In the case of the three trustees of the Canadian National Railways the background is extensive and the experience rich.

They would draw as well upon the experience and technical knowledge of the operating officers of the company and here, again, there is available a wealth of experience to aid in the formulation of decisions.

But they would go further; they would make sure that they and their officers were right; they would make certain that nothing was overlooked. They would call in independent experts; engineers, accountants, operating men. They would obtain an exhaustive report for study and probably for almost complete adoption.

That is what the C. N. R. trustees should do. It might cost $100,000 or even more to get such a study; it would probably show ways of cutting many times that from annual expenses.

Until the Canadian National Railways trustees have had every avenue of efficiency and economy explored they cannot claim to have done the job they were given to do.

* * * *

The Burden is Greater Than People Think

POLITICIANS and newspapers who ought to know better continue to ignore the essential facts, to delude the public with statements and figures that can be the product only of ignorance or insincerity.

The most dangerous of these reassurances is the constantly repeated statement that as soon as recovery comes and the Canadian National Railways can once again enjoy its 1928 revenues, the railway problem will be solved.

But the railway problem was not solved in 1928. Even in that year the C. N. R. cost the taxpayers $33,400,000 and since then the debt burdens, upon which interest must be paid, have grown by hundreds of millions.

Disregarding, for the moment, all the millions of dollars that we have already paid out of taxes to finance the deficits of our railway "experiment" we have incurred a debt on account of our public ownership of railways of approximately $2,400,000,000. Interest at the rate of five per cent on this is $120,000,000 a year, at 4½ per cent well over $100,000,000.

This year the railway will earn toward the payment of that interest change a sum that may total $10,000,000 or $12,000,000.

Every cent of the difference will be borne by the taxpayer. He will either pay it in his taxes or add it to the debts upon which he must continue from year to year, until they are paid off in cash, to pay further interest.

* * * *

Railway Contribution to Our Debt Burdens

IN THIS series of articles, The Financial Post has attempted to present various sets of figures that demonstrate the enormity of our railway burden.

Some of the figures have been so startling as almost to challenge credulity. A leading citizen remarked the other day, "If those figures of the losses of the Canadian National Railways had not appeared in The Financial Post, I would not have believed them to be true."

But they were true, tragically true.

The extent of the burden may be demonstrated in still another way.

Canada's net debt at March 31 last was, according to the figures presented in the budget speech, $2,732,000,000.

In addition, the government had guaranteed bond issues to an amount of $993,000,000, of which all but $31,000,000 was on account of the Canadian National Railways.

Further, the government was responsible for $292,000,000 of Canadian National Railways bonds not specifically guaranteed.

Thus we arrive at the effective Dominion debt of the people of Canada.

The total is $3,987,000,000.

The two chief items in the total are these:

Our government-owned railways, direct debt and Dominion debt incurred on account of railways..	$2,371,000,000
Past deficits of the Dominion	937,000,000

In other words, our public debt and railway debt were incurred as follows:

In investments in government railways	59½%
In treasury deficits, an indefinable amount of which represents interest paid by taxpayers on money borrowed to be advanced to the railways	23½%
On all other accounts, including the Great War, relief, public buildings, canals, etc.	17%

Let it not be assumed that the $2,371,000,000 of debt created by the government railways represents all that we have spent on them. Hundreds of millions of dollars have been paid out of taxation to finance railway deficits.

In addition, private investors have lost millions which they invested in the stocks of the Grand Trunk and other lines.

Morris W. Wilson

By JOHN LANGDON

A Professional Banker Steps Into Sir Herbert Holt's Shoes

Unsuccessful applicants for bank loans are probably responsible for many of the stories circulated concerning the inhumanity of bankers. Take the yarn of the man who went to the bank for a loan. In response to his request he thought he perceived a sympathetic gleam in the right eye of the banker. His hopes rose—to be dashed the next moment with a refusal. Later he learned that the banker's right eye was made of glass.

Stories such as this and the other about the money-lender whose veins pulsed with ice-water are to be locked away in considering Morris Watson Wilson, the newly-elected president of the Royal Bank of Canada. This is a man who is essentially human and understanding. He likes work and likes play—draws a sharp line betwen the two and enjoys both fully and has interesting and worthwhile opinions on education, vocations and recreations.

MORRIS W. WILSON

Heads Important Institutions

Today at 51 years of age Mr. Wilson occupies a commanding position in Canadian and foreign banking. The institution he heads is one of the largest banks in the world, with assets exceeding $725,000,000. Over 800 branch banks come under his control. There is not an area of importance in Canada in which the Royal Bank is not represented. Branches or subsidiary banks are maintained in the United States, Cuba, Brazil, Colombia, British West Indies, Spain, Porto Rico, Argentine, France, England, Peru, Panama and other countries. Its operations are international in scope.

With the new president rests the responsibility of initiating policies to safeguard and employ these hundreds of millions of assets—a task of giant size. Naturally he is a busy man. He never gives the impression of being rushed. Decisions have to be made from hour to hour; reports received and digested; clients seen and conferences held. Time is a precious asset. Yet in spite of the multifarious duties and responsibilities, Morris Wilson carries the load with an assurance and ease which are deceptive to the uninitiated.

Has Strong Personality

The impression received on first meeting Morris Wilson is that here is a man who knows what he is doing and where he is going. Closer acquaintaneeship enhances this impression. There is nothing hesitant in his actions or word of speech. In a group of men he is dominant. True, he has the reserve associated with a banker, but that reserve is tempered with a friendliness which begets confidence.

Pictures Don't Do Justice

Outwardly Mr. Wilson is a rugged-looking individual. His boyhood days around the docks at Lunenburg gave him the foundation of a fine physique which was to stand him in good stead later on in life. In the past few years Mr. Wilson has become a little heavier, but he carries his weight well. His features are seldom as grim as shown in his portraits. May be the official photographer believes the president of a bank should be stern and forbidding in appearance. Mr. Wilson can be grim and determined when the occasion warrants, but otherwise he is usually found to be in good fettle and ready to laugh at a story or amusing incident.

Receives Ready Co-operation

He is a fine example of the new type of banker, trained to deal quickly and effectively with essentials and to allow details to be shouldered by others. In passing along responsibilities, Mr. Wilson receives the loyal and full-hearted co-operation of all officers and employees of the bank. This co-operation is given all the more readily because of his willingness to give credit publicly to the men who work with him. There is nothing petty in his make-up. His colleagues recognize and appreciate that quality.

On the occasion of the last shareholders' annual meeting, a little incident took place which gave an inkling of the man's executive ability and broadness of mind. R. T. Riley, of Winnipeg, proposed the vote of thanks to the officers and employees for their work during the preceding year. In the course of his remarks he jocularly mentioned that Mr. Wilson had the appearance of one who finds life agreeable and not over-burdened with the cares of the bank. In response, Mr. Wilson said half-seriously that if his appearance belied the expected impression of a harassed banker, then it was due to his assistants who had taken the cares and worries off his shouders.

An Outstanding Career

From the time he entered the bank as a lad of fourteen, Mr. Wilson has had his full measure of responsibility. Responsibilities came swiftly to him and were greeted as opportunities. After twelve years banking in the Maritimes, he was transferred to Vancouver in 1909. Two years later, he was manager of the main office there. Other promotions followed until in 1922 he was appointed to Montreal as senior assistant general manager. In 1929 he was general manager and in 1931 became vice-president as well. Thus he is the first professional banker to be made president of the Royal Bank.

This career which finds few equals in the history of Canadian banking has given to Mr. Wilson a breadth of vision which makes his worth immeasurably valuable.

Enjoys His Work

"Work is my first interest," Mr. Wilson says in his own decisive way. "In the morning I am as keen as ever to get down to the office and see what is on my desk. And I can tell you that in the last three or four years the morning mail has not been without interest."

Out of the Vast Majority

His interests are not all with banking. He is president of the Mount Bruno Golf Club, located on the South Shore of the St. Lawrence River, a short distance from Montreal. He likes golf, but regards it as a recreation and not a vocation. This past summer, however, he won the E. L. Pease cup for low handicap score at Mount Bruno. He was on his game that day and had no difficulty in beating the other competitors. His score is not a matter of public record, but when Mr. Wilson breaks through "100" he feels that after all the game is not so bad.

When the weather is too inclement for golfing and office work eases up, Morris Wilson turns to two other "hobbies."

Likes Music and Art

The visitor to his office is attracted by several oil paintings. They are the outward expression of his interest in pictorial art. He has made a study of painting and has a well developed appreciation of art.

Music is another relaxation indulged in by Mr. Wilson. It may seem a far cry from banking to piano, but as a banker and pianist, Mr. Wilson is at home with notes, as his friends will testify.

Reading is Real Hobby

Undoubtedly Mr. Wilson finds his greatest pleasure in reading. He has one of the finest private libraries in Montreal.

"I need little sleep," he says. "Late in the evening I get out a pipe and start reading. I seldom go to bed before one or two o'clock in the morning."

"What do you read?"

"Mostly books on history and economics," he replied. "Then there are, of course, many books dealing with my own profession. I remember as a young lad in the bank going to my manager and asking him to suggest some books which I might read in order to help me in my work. In those days there were very few. It is different today. It takes a great deal of time to keep abreast of all the new books on banking, finance and other subjects of interest. Then, too, there are the business publications which one should read to keep up to date."

Views on Careers

Careers are important things to choose and develop and never at any time as important as in these days of uncertain outlook. Mr. Wilson believes in choosing the right one—sticking to it—and working today with tomorrow in view—that is if you wish to arrive.

"The successful man is lucky," he has remarked. "A friend of mine qualified that statement the other day by saying that with luck went preparedness.

"One day's work should be preparatory for the next day's work.

"If one isn't prepared when opportunity knocks at the door, then you are not going to go ahead. You have to have the necessary driving force to make headway. Also one must be prepared to take hold of the opportunity when presented. When the late Mr. E. L. Pease appointed me manager of the main branch in Vancouver I was only 28 years of age. It was a big job for a young man, but I did not stop to think of the bigness of the task, but went ahead and everything worked out all right."

College Education Sidetracked

Preparedness plays an important part in deciding careers. Chance also has something to do with it, as in Mr. Wilson's case. He tells his own story, how as a young man his great ambition was to go to college. His brother was equally determined to enter business life. Neither plan was to be fulfilled; one night Mr. Wilson Sr. came home and announced that he had secured a job for Morris W. with the bank. The prospects of college faded, while the brother, who was so anxious for business, went on to college, and followed an academic career. He is now dean of one of the faculties at the University of Alberta.

Speaks of Opportunities

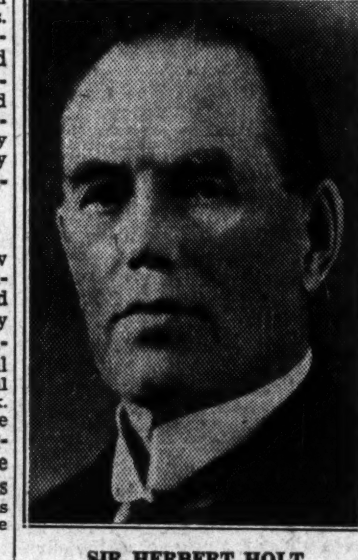
"What of the opportunities today for a young man in banking?" he was asked. "Just as great as ever," responded Mr. Wilson, "but I think many young men lack ambition and the driving force to achieve their ambition. They seem to be content to get ahead and are satisfied with what they are doing from day to day. They are 'soft' probably because their parents are too indulgent."

"Do the same opportunities in banking apply to college-trained men?"

"Certainly. Of course we do not expect a college man to go through the mill the way most of us did. When I joined the bank my salary was $75 a year. That was all right then, but we don't expect a man who has finished his college training to start in as a junior. Look at Graham Towers. He came to us as a young man just out of college. We moved him from department to department and gave him a broad training in banking. He developed into a first-class banker."

Mr. Wilson holds to the belief that one should decide early in life on a career. Oft-times this important decision is put off until too late, then seldom, if ever, the young man finds his proper niche. Mr. Wilson had an early start in his profession. Though today he is head of a large and powerful institution, he shows no sign of letting down. He has reached the top of the ladder, but has not ceased learning. It is this characteristic which proved a factor in bringing about his selection as the active head of the Royal Bank of Canada.

Becomes Chairman



SIR HERBERT HOLT

Who, on his retirement from the presidency of the Royal Bank of Canada, becomes chairman of the board. Sir Herbert has been connected with the bank for many years and under his direction it became one of the largest institutions in the world.

The Railway Problem

More Letters From Our Readers

Rates and Economies

Editor, The Financial Post,

In a recent issue, you invited your readers to write to you on the subject of railroads. I take the liberty of sending to you herewith a few excerpts from a work of mine on "The Economics of Railroad Administration."

My object in sending these is to try to get men concerned with the railroad problem to get a new angle to the whole situation; to get them to see that it is not amalgamation, per se, or any other individual scheme that will right our wrongs in this business, but a starting afresh.

"The foundation on which rates and fares ought to be built should be on the cost of service in the first instance and not on an arbitrary classification of commodities according to their more or less inexpensiveness, practically amounting to regulations of a protectionist and sumptuary character against the public; it is not the rate per ton, as we have been told by eminent authorities, which counts; it is the number of miles.

"Further, an advance in rates and fares is fallacious, as traffic will not bear high rates. The remedy lies not in increased charges but in an increased efficiency and management and real economy in operation, which can only be accomplished by reorganization and new methods of accounting and working. All traffic lives by rates, and when authority is given to alter rates, authority is given to affect the cost of living for every household."

(Dr.) J. TAYLOR.

Prescott,
Nov. 28, 1934.

Call in Business Men

Editor, The Financial Post:

Now that our political advisers and commissions have failed to bring relief in our government railway disaster in Canada, it would seem timely,—with the terrible yearly loss of about a hundred million dollars to say nothing of about another fifty million in depreciation of trackage and rolling stock—for the leading business men of Canada to be called in to adjust this huge problem, while it may still be adjusted and save the credit of Canada.

This is only one of the many big questions that has to be solved for the same reason. Some of the others are: unemployment and relief outlay; consolidation of the public debt of the provinces; adjusting the B.N.A. Act; uniting the three provinces of the East and the West; reducing the number of members of Parliament, both provincial and Dominion.

Now that the Canadian Chamber of Commerce has been called upon to name directors for our new central bank, I would suggest that they also take up the pressing problem of our railways and offer suggestions and plans on a keen business basis to relieve the taxpayer.

Call in such outstanding men as C. H. Carlisle of Goodyear Tire and men that he would suggest, and I am sure they would have the support of all the people, and the job would be well done.

Let us do it now.

A. MACINTYRE BRUCE

St. Thomas, November 30, 1934.

Information Sought

Editor, The Financial Post:

The writer read your patriotic appeal to the Canadian citizens in regard to the losses of the Canadian National Railways. A profit and loss statement would be very much appreciated if this were available. Your views on the fundamental cause of this tremendous deficit make very interesting reading in your paper.

CARL POLLOCK, B.Sc.

Hamilton,
Nov. 15, 1934.

Sydney Dobson New 'G.M.' Of Royal Bank of Canada

From Our Own Correspondent

MONTREAL.—Sydney G. Dobson's election to the post of general manager of the Royal Bank of Canada in succession to Morris W. Wilson, who assumes the presidency, brings to light an interesting coincidence. Sir Herbert Holt became president of the bank when he was 51 years of age. Mr. Wilson succeeds him at the same age, while two months ago Mr. Dobson celebrated his 51st birthday.

The new general manager's career bears a striking similarity to that of Morris Wilson's. Both were born in the Maritimes, Mr. Dobson at Sydney and Mr. Wilson at Lunenburg. He started with the bank as a junior clerk in his home town thirty-four years ago, three years after the president joined the bank in his home town in a similar capacity. In 1906 Mr. Dobson went to Winnipeg as accountant. After serving in various other positions, he was appointed manager of Sydney branch in 1910 at the age of 27. Five years later he became assistant manager in Montreal and in 1916 succeeded Mr. Wilson as manager of the Vancouver branch. His career after that follows Mr. Wilson's closely and in 1921 he became assistant general manager.

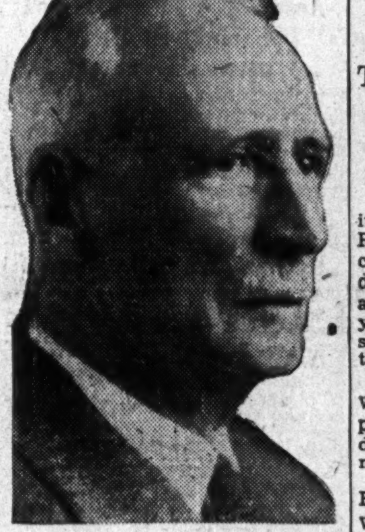
SYDNEY G. DOBSON

Yachting and Motoring

The Royal Bank's new general manager finds little time to indulge in interests outside of his profession. When he was manager at Sydney he owned a sail boat. "Since that time I have been unable to afford one," he has said, but he has not lost his love of the sea. When he can spare the time he goes back to his home town and charters a boat for short sea cruises. Sometimes he sails out of Lunenburg as a guest on Col. C. H. L. Jones's sea-going boat. Or if he is anywhere near New London, Conn., the Royal Bank's agent at New York has a boat which he likes to show off to Mr. Dobson and his friends.

There does not seem to be any connection between captaining a sea-going yacht and driving a motor car, but Mr. Dobson believes the latter to be a finer form of sport. Yachting probably comes first in his estimation, but the thought of a long journey by motor car is equally appealing. Not long ago he expressed the hope that banking business might take him to California when he would have an opportunity of driving his car all the way. But the general manager of the Royal Bank seldom finds time for such extended jaunts.

Royal Bank Executive



G. H. DUGGAN

President of Dominion Bridge Co. and associated with numerous industrial enterprises, who has been elected a vice-president of the Royal Bank of Canada.

I. P. SHOWS LOSS ON PAPER MILLS OPERATING HERE

Three Newsprint Mills Record Loss on Current Year's Operations

From Our Own Correspondent

MONTREAL.—In an open letter to its contract customers, International Paper Co. calls attention to the increased cost of woods operations. To date this year the company's Canadian mills have used wood cut last year, on which labor costs were considerably less than they will be in the coming year.

In support of the contention that wages will affect the cost of newsprint, the company presents figures designed to show the return on its mills.

The three Canadian mills at Three Rivers, Gatineau and Dalhousie, which have an average age of about seven years, cost $65,203,000. Added to this the cost of the 8,778,702 acres of timber licenses back of them and the working capital used in them, and deduct depletion on the timber holdings, and the company's total investment in the three properties as of July, 1934, amounted to $89,552,000, less depreciation reserves up to the same date of $12,105,000, leaving a net investment of $77,447,000.

Less Than Nothing

International presents figures to show that before charging any interest at all on the investments, before even interest on the bank loans, earnings on this investment at $77,447,000 were less than nothing.

Following table shows earnings after depreciation and depletion in 1933 and for the first nine months of 1934:

	1933	9 mos. to Sept. 30, 1934
	$	$
Operating income ...	1,096,219	593,817
Less: Deprec.	1,137,346	804,826
Depletion	376,840	289,361
Net loss before int. .	417,967	500,370

Operate at 87.5 Per Cent

These mills during the first five months of 1934 ran at 87.5 per cent of their rated capacity.

DOMINION COAL'S OUTPUT FOR 1934 UP MILLION TONS

Conditions This Year Favor Marked Increase in Hoistings

From Our Own Correspondent

MONTREAL. — Indications now clearly point to the prospect of Dominion Coal Co.'s 1934 production exceeding last year's by a full 1,000,000 tons.

With a month to go, the output from the company's collieries at the end of November was 3,450,882 tons. Production for the whole twelve months of last year was only 2,597,945 tons.

It will take the hoisting of just 147,963 tons this month to top that figure by 1,000,000 tons. The mark appears easily accessible in view of the fact that last month tonnage stood at 345,929 tons.

The large increase in production, bringing with it larger pay envelopes for the miners of nine large collieries, has been brought about chiefly, in the belief of officials, through improved business conditions and less competition in markets reached through shipment of coal by St. Lawrence River boats.

Operation of the N.R.A. in the United States has resulted in the unionizing of many mines there, and the resulting higher wage scale has sent prices up. As a consequence, Nova Scotia coal was able to compete on a more equitable basis with coal coming into Canada from below the border.

Further Gain For Zimmerknit Is Anticipated

Zimmerknit Co., Ltd., will report further improvement in earnings for the year ending Dec. 31, 1934, The Financial Post is informed. No definite figures are yet available, but an increase of approximately $25,000 on last year's net earnings of $148,528 has been mentioned.

Improvement General

The company specializes in underwear, hosiery and knit goods, and it is believed that the improvement has been general in all lines. Zimmerknit, as reorganized in 1931, paid its first dividend on the preferred stock last September, and present earnings, it is understood, will warrant further dividends on this stock but none is contemplated on the common.

For the year ended Dec. 31, 1933, the company showed a surplus of $35,743 after depreciation, taxes and bond interest. This more than wiped out the previous deficit and amounted to $14.30 per share on the preferred and 28 cents on the common as compared with $2.30 on the preferred and nothing on the common in 1932.

SALE TO EFFECT GT. LAKES PAPER REORGANIZATION

Preliminary Steps Now Being Taken By Committee

NET PROFIT DOWN

Loss of United States Premium Fails to Offset Greater Gross on Paper Sales

Preliminary steps for the sale of Great Lakes Paper Co. through the courts are now being taken, it is announced by the bondholders committee.

This conclusion has been reached following discussions between the committee and National Trust Co., which is trustee, receiver and manager of the property, as to the best means of terminating the receivership and effecting reorganization. The committee, however, has not decided when this step should be taken and in the meantime advises bondholders that the terms of the deposit agreement of July 15, 1931, have been extended to July 1, 1935.

U.S. Premium Big Loss

A statement accompanying the committee's report shows that the company had a net profit before depreciation, of $121,400 for the year ended June 30, 1934. This compares with a profit of $310,417 for the period July 13, 1931—June 30, 1933 or practically two years. Making allowance for the difference in the two periods, this represents a decrease in profit of approximately $34,000 on the last year. But the drop is more than accounted for by the loss of the premium on United States funds, an item that bulked very largely in the statement of paper companies up to a year ago. For the previous two years period, Great Lakes had a profit on this premium of over $350,000 as compared with only $22,528 for the year under review. Moreover in the current year to date, this item has been replaced by an actual loss.

Profits On Sales Up

Aside from the U.S. premium the latest report represents a decided improvement over that for the first two years of receivership. Gross profit on sales was $283,897 for 1934 as compared with $310,264 for the two previous years or an increase of over 80 per cent when allowance is made for the difference in the two periods.

Depreciation and Interest

Since the receiver took over in July, 1931, a total profit of $431,818 is reported. During this period, however, no interest on the $10,000,000 outstanding bonds has been paid, interest in default at Sept. 1, 1934 amounting to $2,400,000. Moreover there has been no depreciation written off though the committee states that during the year ended June 30, 1934 capital expenditures of $61,079 have been made from earnings and in the whole period of receivership expenditures of this kind have totalled over $200,000. These expenditures, it is reported have been fully justified by operating results.

Receiver's Profit and Loss Account

	Year End. June 30 1934	July 13/31 to June 30/33
	$	$
Gross profit on sales ..	283,897	310,264
Other income	3,976	1,742
Salvage & misc. income	3,023	4,218
	290,896	316,224
Less: Gen. & admin. exps.:		
Receiver's fees, etc. ..	60,000	117,903
Administrative exps. .	35,286	81,093
Fire protection		5,049
	195,609	112,179
Add: Other income:		
Int. on invest. & bank deposits	10,806	17,673
Cash discounts	2,248	3,699
Premium on U. S. funds	22,528	356,043
Net income	231,191	489,594
Less: Res. for conting.	45,000	93,614
Fire & land taxes on timber limits	18,368	35,971
Spec. services	7,500	......
Legal expenses	9,811	......
Transcontinental development	29,112	49,592
Net profit	121,400	310,417
Prev. balance	310,418	......
Receiver's profit	*431,818	310,417

* Before depreciation, bond interest, etc.

Taxes

"The foregoing earnings, however, are after bringing about a net increase of $45,000 unexpended to the contingency reserve which was added to during the year at the rate of $5,000 per month, and after providing $29,111 for taxes upon properties of Transcontinental Paper Co., and Transcontinental Development Co.," states the committee's report.

Great Lakes Paper has announced that it will follow the price increases of $2.50 per ton for the first six months of 1935 with another similar increase for the last six months, as recently announced by other large paper companies.

WORKING CAPITAL

	1934	1933*
	$	$
Current assets	1,592,246	1,520,589
Current liabilities ...	452,175	446,200
Working capital	1,140,071	1,074,389
Ratio	3.52—1	3.41—1

* Nov. 30, 1933.

Liquid Position

The receiver has not found it necessary to borrow any money and reported cash on hand of $243,888 at the end of June. It is impossible to make an accurate comparison of items in the balance sheet and the committee's report states that most of the figures are meaningless as no revaluation has been made of the property or other assets to give effect to the changes which would result consequently upon successful termination of the litigation on behalf of the bondholders now pending against the estate of the late E. W. Backus and others.

The committee is informed by the receiver that the inventory of pulpwood at the mill, together with quantities contracted for delivery during the summer of 1935, will provide an ample supply of raw material for operations until the summer of 1936, and that the greater part of the cut for the season of 1934-1935 has been completed. The company is reported well fortified against any possible embarrassment from strike troubles recently prevalent in bush operations in Ontario.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Do You Need a Man?

UNIVERSITY GRADUATE (Commerce) Canadian, 29, single. Three years sales experience, desires to become connected with established firm. Excellent references from former employer. Box 60, The Financial Post, Toronto, Ont.

Rug Wanted

WE HAVE A POSSIBLE CUSTOMER for a fine Aubusson rug. Size, say, 18 ft. by 20 ft. Send particulars and price. Box 62, The Financial Post, Toronto, Ont.

EXECUTIVE

seeks change of employment

Accustomed to responsibility, with sound knowledge of business administration and practise. Ten years experience covering Administration, Accounting, Salesmanagement, Plant Management and Export. Young; married; Canadian; Protestant. Willing to go anywhere. Available on short notice. Salary not first consideration. Now resident in Montreal. Box 85, The Financial Post, Toronto.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1934, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 2nd day of January, 1935, to shareholders of record of the 20th December, 1934.

By Order of the Board.

Dudley Dawson,
General Manager.

Toronto, 15th November, 1934.

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of TWO PER CENT for the current quarter, being at the rate of EIGHT PER CENT PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable WEDNESDAY, THE SECOND DAY OF JANUARY next, to Shareholders of record at the close of business on the Fifteenth day of December, 1934.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, November 21st, 1934.

The Bell Telephone Company of Canada

NOTICE OF DIVIDEND

A Dividend of one and one-half per cent (1.50%) has been declared payable on the 15th of January, 1935, to shareholders of record at the close of business on the 22nd of December, 1934.

F. G. WEBBER,
Secretary.

Montreal, November 28, 1934.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1934.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1934.

The above Dividends are payable on Wednesday, the 2nd day of January, 1935, to Shareholders of record at the close of business Saturday, the 15th day of December, 1934.

By Order of the Board.

MERVYN OFFER,
Secretary.

Montreal, 27th November, 1934.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 23

NOTICE is hereby given that a Dividend of 25c. per share being at the rate of $1.00 per annum, has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending December 31st, 1934, payable January 25th, 1935, to shareholders of record at the close of business on December 31st, 1934.

By order of the Board.

L. C. HASKELL, Secretary.

Montreal, November 27th, 1934.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Preferred Dividend No. 40

NOTICE is hereby given that a Dividend of 1¾% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending December 31st, 1934, payable January 15th, 1935, to shareholders of record at the close of business on December 31st, 1934.

By order of the Board.

L. C. HASKELL, Secretary.

Montreal, November 27th, 1934.

CANADIAN INDUSTRIAL ALCOHOL COMPANY, LIMITED

Notice of Annual Meeting

NOTICE is hereby given that the Annual Meeting of the Shareholders of CANADIAN INDUSTRIAL ALCOHOL COMPANY, LIMITED, will be held at the head office of the Company, Canada Cement Building, Montreal, Canada, on Tuesday, the 18th day of December, 1934, at the hour of 2:30 o'clock of the afternoon, for the following purposes, namely:

(a) to receive, and if thought fit, adopt and approve the report of the Directors and Financial Statements of the Company;

(b) to elect Directors for the ensuing year;

(c) to appoint Auditors for the ensuing year and to fix their remuneration;

(d) to consider, and if thought fit, approve, confirm and sanction Special By-law "A" of the Company enacted by the Directors revising, amending, consolidating and, insofar as may be necessary, enacting and re-enacting all the By-laws of the Company with the exception of By-laws Nos. 15 to 18, inclusive, and By-law No. 20. Among the By-laws so enacted is By-law No. 12 to authorize the Directors to appoint an Executive Committee consisting of five (5) members. Copies of the said Special By-law "A" and of the By-laws so revised, amended, consolidated, enacted or re-enacted, may be obtained on application to the Secretary of the Company;

(e) to transact such other business as may properly be brought before the meeting.

The resignation of Messrs. Deloitte, Plender, Haskins & Sells, as Auditors of the Company, has been received, and, as required by The Companies Act, 1934, notice has been given by a shareholder to the Company of his intention to nominate Messrs. Clarkson, McDonald, Currie & Co. as Auditors of the Company at the Annual Meeting.

By Order of the Board,

J. GIBSON LAWRENCE,
Secretary.

Montreal, December 1st, 1934.

Dividend Notice

Northern Canada Mining Corporation, Limited

Notice is hereby given that an interim dividend of Two Cents (.02c) per share on the outstanding capital stock of the Corporation has been declared by the Directors of the Corporation, payable January 2nd, 1935, to shareholders of record at the close of business on December 15th, 1934. The Canadian five per cent (5%) tax will be deducted from dividends paid to non-residents.

Shareholders are particularly requested to see that certificates held by them are properly registered on the books of the Corporation. As mentioned above, the dividend is payable to shareholders of record on December 15th, 1934. Our transfer agents are The Trusts and Guarantee Company, Limited, 302 Bay Street, Toronto, Ontario.

By Order of the Board,

H. F. CASSIDY,
Secretary.

Toronto, 3rd December, 1934.

SOUTHERN CANADA POWER COMPANY LIMITED

Preferred Dividend No. 60

A DIVIDEND of one and one-half per cent (1½%) being at the rate of 6% per annum, on the PREFERRED STOCK of SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending December 31st, 1934, payable January 15th, 1935, to shareholders of record at the close of business on December 20th, 1934.

By order of the Board,

L. C. HASKELL,
Secretary.

Montreal, November 23th, 1934.

DIVIDEND No. 29

HIRAM WALKER-GOODERHAM & WORTS LIMITED

Controlling and Operating
Hiram Walker & Sons Limited (Walkerville)
Gooderham & Worts Limited (Toronto)
Hiram Walker & Sons Distilleries Inc. (Peoria)
and Subsidiaries
Distillers & Bottlers in Bond

NOTICE is hereby given that quarterly dividend (No. 29) of twenty-five (25c) cents a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Capital Stock of this Company.

This dividend is payable December 15, 1934, to shareholders of record at close of business November 23.

By Order of the Board,

FLETCHER RUARK,
Secretary and Treasurer.

Walkerville, Can., November 17, 1934.

Imperial Tobacco Company of Canada, Limited

— Dividend —

NOTICE IS HEREBY GIVEN THAT an Interim Dividend (No. 110) of One and three-quarters per cent (1¾%) on the paid-up Ordinary Shares of the Company has been declared payable on Monday, the 31st day of December, 1934 to shareholders of record at the close of business on Saturday, the 15th day of December, 1934.

By Order of the Board

F. P. L. LANE,
Secretary.

Montreal, P.Q.
30th November, 1934.

Siscoe Gold Mines Limited

Dividend Notice No. 11

NOTICE is hereby given that a dividend of three (3c.) cents per share and a bonus of two (2c.) cents per share on the issued Capital Stock of the Company has been declared payable December 31st, 1934, to shareholders of record at the close of business December 15th, 1934. Stock Transfer Books of the Company will be closed from December 16th to 31st inclusive.

H. E. GREEN,
Secretary-Treasurer.

Montreal, November 30th, 1934.

Canadian Wirebound Boxes Limited

Dividend Notice

Take notice that a dividend of twenty-five cents per share on account of arrears has been declared on the Class "A" shares of the Company, payable January 2nd, 1935, to shareholders of record December 15th, 1934.

By Order of the Board,

J. P. BERNEY,
Secretary.

Do You Know What Your Competitors Are Doing?

Manufacturers should know what dealers are advertising their products, what dealers are advertising their competitors' products.

We supply news data of this nature on all subjects appearing in the Canadian, English and United States newspapers and periodicals.

Let us keep you daily informed of the latest developments in your own line of business. Write us for rates, our charges are reasonable.

CANADIAN PRESS CLIPPING SERVICE
481 University Ave., Toronto 2

Wheat

McFarland Trip to U.S.A.

WINNIPEG.—The visit of John L. McFarland to Washington is understood to be in an endeavor to sell direct to the government of the U.S. a quantity of low grade wheat to be distributed by relief agencies. If such a transaction is consummated it will create a problem in connection with the supplies of such grain, for at present ordinary commercial channels are absorbing all the low grade wheat available, which is admitted to the United States under the 10 per cent ad valorem duty, as distinct from milling wheat, which is taxed 42 cents a bushel.

The government holdings are all in futures contracts, and if the government agency chose to take delivery of wheat on such contracts instead of switching futures contracts to a more distant date, it is to be presumed that No. 2 Northern would be the grade delivered to it.

One advantage of a direct deal between the Canadian Government agency and the United States Government might be that wheat sold under the contemplated arrangement might not have to be confined to the low grades by making sure that none would be diverted for milling purposes.

• • •

Hedges Transferred

THE fact that no deliveries of wheat were made on the December contract at the opening of the delivery month was confirmation of the general belief that hedges had been pretty well transferred from December to May some time ago. No. 2 Northern, which may be delivered at a discount of three cents a bushel has been trading at only a fraction over the December price, but No. 1 Northern commands a premium of a full cent a bushel.

Whereas at Winnipeg the spread between No. 1 Northern and No. 2 Northern has been slightly under four cents a bushel, at Vancouver there is a difference of almost eight cents a bushel, so that No. 2 Northern there is selling at practically the same price as feed wheat at Winnipeg. Such export movement of No. 2 as takes place is consequently confined almost entirely to Vancouver.

DIVIDEND NOTICES

Associated Breweries of Canada Limited

DIVIDEND NOTICE

NOTICE is hereby given that a Quarterly Dividend (No. 25) of 1¾% upon the outstanding Preference Shares of the Company has been declared, the said Dividend to be payable on or after the First day of January, A.D. 1935, to Shareholders of record at the close of business on the 15th day of December, 1934.

NOTICE is also given that a Dividend (No. 20) of Twenty-Five Cents (25c) per share on the No Par Value Common Shares of the Company issued and outstanding has been declared, payable on and after the 31st day of December, A.D. 1934, to Shareholders of record at the close of business on the 15th day of December, 1934.

By Order of the Board,

J. G. WALFORD,
Secretary-Treasurer.

Calgary, Alberta,
December 4th, 1934.

The Ontario Loan and Debenture Company

190th DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of 3 per cent for the current Quarter ending 31st December, 1934 (being at the rate of 12 per cent per annum), has been declared on the paid-up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on or after the 2nd January, 1935, to Shareholders of record of the 15th December, 1934.

By Order of the Board.

T. H. MAIN, Manager.

London, Ontario, 4th December, 1934.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Preference Dividend No. 99

Notice is hereby given that a dividend of 1¾% for the quarter ending December 31, 1934 being at the rate of 7% per annum, has been declared on the Preference Stock of the Company.

Common Dividend No. 120

Notice is also hereby given that a dividend of 75 cents per share for the quarter ending December 31, 1934, being at the rate of 6% per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above dividends are payable on January 1, 1935, to shareholders of record at the close of business on December 15, 1934.

By Order of the Board.

W. H. NESBITT,
Secretary.

Toronto 2, November 30, 1934.

Monthly Bank Clearings

	Nov., 1933	Nov., 1934
Halifax	$ 8,684,197	$ 9,992,492
Saint John	6,763,641	7,173,955
Moncton	2,881,343	3,333,980
Sherbrooke	2,244,432	2,348,517
Quebec	17,141,917	18,727,842
Montreal	423,261,537	424,916,989
Ottawa	18,530,754	19,925,011
Kingston	2,268,275	2,399,745
Peterborough	2,487,458	2,842,741
Toronto	469,342,195	492,526,147
Hamilton	14,951,076	18,140,873
Kitchener	4,034,038	4,229,266
Brantford	3,003,133	3,148,982
London	9,494,968	11,757,763
Chatham	1,975,176	2,197,571
Windsor	9,506,183	8,071,621
Sarnia	1,678,647	....
Sudbury	2,691,051	3,112,937
Fort William	2,395,278	2,936,099
Winnipeg	229,956,284	244,925,059
Brandon	1,283,336	1,458,306
Regina	15,461,665	17,671,311
Moose Jaw	2,182,041	2,370,132
Saskatoon	5,861,030	6,833,926
Prince Albert	1,131,135	1,450,335
Edmonton	14,508,577	18,399,037
Calgary	21,743,593	26,850,396
Medicine Hat	906,683	1,054,772
Lethbridge	1,765,642	....
N. Westminster	1,723,460	2,160,321
Vancouver	58,920,182	63,340,140
Victoria	5,808,251	6,112,423

Grain and Milling in Canada

PRICE MAIN FACTOR IN WHEAT EXPORTS TO UNITED STATES

May Ask Removal of 10 Per Cent Duty on Feed

BUT EXPORTS GROW

Recent Figures Show Exports This Crop Year at 18 Million Bu. — Mainly Good Grades

From Our Own Correspondent

WASHINGTON, D.C.—Possibility of disposing of some of the inferior grades of wheat held by the Canadian pools for livestock feed in the drouth-stricken western states was one of the items discussed in a visit here last week by John I. McFarland. Mr. McFarland conferred with Hon. W. D. Herridge, the Canadian minister and also with officials of the U. S. department of agriculture. It is possible that the latter will endeavor to persuade the administration to remove the duty of 10 per cent ad valorem on wheat for emergency feed purposes as the $5 per ton duty was taken off hay and feed some time ago, for emergency relief.

There is an acute shortage of feed grains in the United States as well as hay, which cannot be supplied from Canada. But Mr. McFarland is reported to have available some 15,000,000 bushels of inferior grades of wheat suitable for feed. As always, price is the main factor. Under the pressure of demand, the No. 4 and 5 grades have risen recently from 58 cents to 69 cents. Added freight and duty make it very costly feed at present.

Fear of Substitution

One of the difficulties in the importation of feed wheat from Canada is the possibility of unscrupulous dealers substituting it for wheat for domestic milling which pays a duty of 42 cents a bushel. No machinery has been set up yet by the customs or agricultural department for controlling this but it is under consideration, possibly by dyeing the feed wheat with some harmless aniline color.

In spite of the high price, the inferior wheat is flowing in ever-growing quantities, imports having almost tripled in October over November.

If any arrangements are made for the sale of a quantity of the feed wheat through Mr. McFarland's agency, the grain will be handled through regular commercial firms designated by the U.S. and Canadian departments of agriculture on both sides of the lines.

The following tabulation shows how imports of Canadian wheat for domestic use in the United States have surged during the months of August, September and October. The November figures are not yet available. It should be pointed out that these figures do not include wheat imported from Canada in bond for milling for re-export of which nearly 8,000,000 bushels had been brought in to the end of October:

Imports to U. S. Canadian Wheat, Domestic Use

(Wheat paying 42c. duty for human consumption)

	Bushels	Value
1st 7 months, 1934	123,969	$132,805
August	432,461	422,012
September	2,754,562	2,829,944
October	1,020,518	981,810
Total, 10 months	4,331,510	$4,366,571

(Wheat paying 10c. duty unfit for human use)

	Bushels	Value
1st 7 months, 1934	1,960	$ 809
August	nil	nil
September	24,021	20,907
October	66,031	51,286
Total, 10 months	92,012	73,002

Canadian Figures

A complete record of the movement of all grains from Canada to the United States which are intended for home consumption either as human or animal food, has been compiled by E. A. Ursell, statistician to the Board of Grain Commissioners, for the period August 1 to Nov. 24, 1934. This tabulation follows:

Durum Wheat

	Bushels
Duluth-Superior	5,638,447
Buffalo	1,402,055
	7,040,502

5, 6 and Feed Wheat

	Bushels
Buffalo	1,433,542
Chicago	188,000
Duluth Superior	642,448
Toledo	100,000
Other destinations	194,097
	2,558,087

	Field Oats	Barley	Rye
Duluth	543,017	1,982,440	110,014
Buffalo	......	354,273	......
Chicago	1,092,305	......	367,074
Manitowoc	......	1,128,441	......
Milwaukee	......	993,214	97,000
Toledo	......	217,744	......
Others	3,388	17,500	......
Totals	1,638,710	4,693,612	574,088

Feed Buying Slow

From Our Own Correspondent

OTTAWA. — Despite efforts at Washington, the purchase of feed and fodder for the drouth area of the Western States is proceeding very slowly. As previously announced there is little if any surplus feed or fodder in Manitoba, none in Saskatchewan. Large stocks are available in Alberta but the cost of transportation continues to place it beyond the reach of United States purchasers.

Under pressure from western governments, the railway companies are reported to have considered the question of rate reduction very carefully and it is believed a 25 per cent cut may be authorized. This would apply not only to feed and fodder but to low grade grain, shipped to the United States as unfit for human consumption.

No Action From Washington

It is reported that Washington has declined to form a separate organization to purchase and distribute imports of these feeds but has agreed to make a grant to existing relief organizations based on approximately (the exact figure is not known at Ottawa) $4 per head. It is up to the individual States and other relief organizations to find the balance.

Freight rates from Alberta to North Portal are given as $12 per ton and, with a cut of 25 per cent, this would drop to $9 per ton. Top prices being paid for feed and fodder, delivered at the boundary range from $6 to $12 per ton, according to the quality of the product. These prices, it is said, will attract the small surplus stocks of Manitoba but will not move the Alberta surplus.

Hallet, Carey and Swart Absorb Subsidiary Co.

Great West Grain Co. loses its identity through absorbtion by its parent company, Hallet, Carey and Swart, Ltd., grain merchants.

No change in office staffs of the Great West Grain Co. are planned, branches being continued under the firm name.

ESTIMATE YIELD ARGENTINE CROP AT 225 MILLIONS

Margin of Possible Error Still Large, However

From Our Own Correspondent

WINNIPEG. — The size of the Argentine crop, harvesting of which has already commenced, is still indefinite, although current estimates range between 225,000,000 and 239,000,000 bushels. But it is not unusual for crop estimates from that country made at this season of the year to be later shown to be erroneous to the extent of 15 per cent or even more. Heavy rains on some crops almost ready to cut were considered as likely to impair effective yields and also to create a danger of late damage by rust.

The Argentine government has again established a minimum price, equivalent to slightly over 50 cents a bushel, at which wheat will be bought from farmers. During last year a similar level was established, and it was planned that any losses which might be incurred were to be recovered from stabilization operations in connection with the foreign value of the peso. However, wheat held for the most part above the minimum level, and the government was not involved in any loss on account of the guarantee.

Same Price Guarantee

Announcement that the same guarantee of a minimum price was to be extended again this year was at first construed as a bearish influence, on the theory that the minimum guaranteed price might tend to become the maximum, and also because it was accepted as indication that the government did not see the wheat situation as more bullish than last year. More considered opinion now appears to be that the Argentine government in naming a minimum price is merely making a gesture that may be well received at home, while careful to keep it at a level not likely either to involve it in any loss or to impede the free flow of Argentine grain to market during the first part of the crop year, when most of the country's wheat is customarily exported.

The quality of new crop Argentine wheat is still a matter of doubt. Wheat from the early harvested yields was reported to be of poorer quality than last year's crop, but that is not necessarily a guide as to the results with the bulk of the crop, or as to the "fair average quality" which will later be established to provide the basis for Argentine export sales.

VANCOUVER GAINS OVER ST. LAWRENCE IN WHEAT EXPORTS

But Coast Dealers Worried Over Price Spread

From Our Own Correspondent

WINNIPEG.—The extent to which St. Lawrence ports are suffering from the present conditions in the wheat trade are revealed in figures just published at Ottawa. Up to November 9 last year the ports of Montreal, Quebec and Sorel had exported 35,000,000 bushels of wheat. This year up to the same date their combined exports have been cut practically in half, being 18,000,000 bushels. That is more than the total decline in overseas shipments of Canadian wheat shipments during the same period, which was from 55,000,000 to 45,226,000 bushels.

Vancouver's exports, on the other hand, are up about 3,600,000 bushels for the same period, so that Vancouver this year has shipped practically the same quantity of wheat as Montreal, instead of only 40 per cent of Montreal's shipments as was the case last year. There was some increase in shipments from Churchill, while shipments from United States ports have been considerably greater this year.

U. S. A. Takes More

Montreal's decline in business to a considerable extent reflects the small purchases of Canadian wheat being made this year by British millers, while business to the continent, much of which is done from United States ports, remains comparatively about the same. It also reflects the lack of shipments of Canadian Durum wheat to Italy, on account of their diversion this year to the United States, for the Durum business has always tended to be done mainly through Montreal instead of through southern ports.

Grain merchants at Vancouver, instead of feeling pleased at the increase of business there, are inclined to be much disturbed at the lower prices quoted in Great Britain for Vancouver grain shipments than for those from Atlantic ports. Part of the difference is due to the more rapid transit available on eastern shipments, but it is also the case that British quotations on eastern shipments are frequently only nominal and that such business as is done is being transacted from Vancouver.

Want Rate Changes

Vancouver is attempting to get the railways to amend their tariffs to allow the benefit of export rates on grain to shipments to the United States as well as to foreign countries.

LOCAL TRIBUNALS TO RENEW DEBTS IN SASKATCHEWAN

New Legislation Provides Machinery For Individual Settlements

What has amounted to a general moratorium in Saskatchewan is to be lifted and will be replaced by individual, government approved settlements. Machinery for setting up local tribunals which will hear claims of creditors and debtors and endeavor to arrange mutually satisfactory agreements, is incorporated in a bill which has received its second reading in the provincial legislature at Regina.

An Improvement

While the step is not hailed with any particular delight by mortgage holders, it is generally regarded as an improvement over the old legislation, under which, The Financial Post is informed, it was practically impossible for creditors to get anywhere. Rightly administered, it is agreed, that some progress may be made under the new act as the onus of proof no longer entirely rests on the creditor. In theory at least, if the creditor is reasonable and the debtor is not, then the local tribunal, subject to approval by the central authorities, may permit the ordinary law to take its course.

Debt Postponement

The bill, which is sponsored by the government, has been attacked by George H. Williams, leader of the opposition on the ground that it merely postpones debt and does not make adequate provision for adjusting it.

Local tribunals will be set up in each judicial district of the province. Decisions reached by them must be approved by a central debt adjustment board at Regina and rulings of the latter may be finally subjected to review by the provincial government.

Bring Interests Together

Following thirty days' notice of intention to proceed given by the debt adjustment board to the creditors, the local tribunal will bring debtor and creditor together in an attempt to arrange a mutually satisfactory settlement. If no such settlement can be arranged, then two courses are open to the board at Regina.

Two Courses

If the creditor refuses to agree to what the board decides is a fair settlement, an interim certificate may be issued of individual moratorium preventing the creditor from taking any action against the debtor.

If, on the other hand, the debtor is deemed unreasonable, and declines to subscribe to what the board considers a fair settlement, no such protection will be given and the creditor may take the usual court proceedings.

Must be Approved

All rulings of the local tribunal, however, will be subject to review and consideration by the central board, either by having all details of the case submitted to the Regina offices of the board, or by actually conducting a sitting in the local district.

Key Facts About Wheat

	Week bu.	Previous Week bu.	Same Week Year Ago bu.
Canadian Wheat in Store:			
Fort William, Nov. 30	54,272,079	58,632,595	59,340,139
Country elevators, Nov. 23	97,576,244	98,411,290	104,269,059
Total, all points, Nov. 23	257,708,319	255,907,915	246,267,817
World Shipments, incl. flour: Nov. 30:			
North American	4,238,000	3,443,000	6,276,000
Argentine	3,824,000	3,885,000	482,000
Black Sea*	.....	336,000	1,784,000
Australian	2,244,000	1,198,000	815,000
Total, world	10,134,000	10,111,000	11,770,000
Visible Stocks: Nov. 23:			
Canadian	142,353,000	141,613,000	130,486,000
United States	93,285,000	95,700,000	135,744,000
Argentine	13,226,000	13,594,000	8,818,000
Australian	14,500,000	15,248,000	2,496,000
Country Marketings and Exports: †			
Canadian exports, Nov. 23	2,923,429	2,045,534	4,796,504
Cum. to Nov. 23 (17 weeks)	50,165,827	47,252,398	63,471,901
Country marketings, Nov. 16	6,219,496	6,952,855	6,454,158
Cum. to Nov. 16 (16 weeks)	153,599,774	147,380,278	144,529,045
Country deliveries, Nov. 30‡	3,463,000	4,290,000	3,133,000
Country marketings, Nov. 30‡	3,779,000	5,069,000	2,905,000

* Includes South Russia. †Excluding flour. ‡ Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to December 4

Crop year from Aug. 1, 1934 High	Low		Open Nov. 23	High for week	Low for week	Close Dec. 4
		Wheat				
.97	.74⅞	December	.78¼	.78⅝	.76⅞	.78¼
1.00½	.79⅞	May	.83⅛	.83⅝	.81⅞	.83⅝
.85¾	.82⅛	July	.83¾	.84¼	.82⅝	.84
		Oats				
.47⅝	.38½	December	.41⅝	.42⅝	.41	.42⅛
.49⅝	.39¾	May	.43⅞	.44½	.43⅝	.44⅝
.44½	.42¾	July	.43⅞	.44⅞	.43⅝	.44⅝
		Barley				
.63¾	.49	December	.54⅛	.55¼	.53⅛	.55⅛
.65	.50¾	May	.57	.58¼	.56⅛	.58¼
.58½	.53⅝	July	.57	.58½	.56⅛	.58⅛
		Flax				
1.74¾	1.19	December	1.35⅝	1.36½	1.33¾	1.37
1.73½	1.28	May	1.41⅝	1.43⅝	1.40½	1.43¼
1.44⅞	1.40	July	1.43¾	1.44⅞	1.42½	1.44½
		Rye				
.77	.51¼	December	.56⅛	.58¼	.55½	.58
.80⅛	.55½	May	.60⅝	.62⅛	.59⅝	.61⅛
.62⅝	.59⅝	July	.61½	.62⅝	.60⅛	.62⅝

SEE ALBERTA HAND IN PLANS FOR SALE TO U.S. GOV'NMENT

Connect McFarland Trip With Bennett Visit to Calgary

From Our Own Correspondent

CALGARY—There is comment in grain circles here to the effect that the visit of John I. McFarland to Washington in an endeavor to sell Canadian feed wheat to the United States Government may be connected with the recent visit of the Prime Minister to Calgary. While he was here it is understood that Mr. Bennett's attention was called to the feeling in Alberta that the government wheat stabilization policy puts farmers of this province at a disadvantage as compared with farmers in Manitoba and Saskatchewan, and that grain of this province has to be shipped by the more expensive rail to Fort William if it is to benefit by the stabilized prices on the Winnipeg market, instead of by the cheaper rail route to Vancouver.

In addition to Vancouver prices being at a discount as compared with Winnipeg on higher grades, because of the government's stabilization efforts at Winnipeg, they are at a still greater discount on lower grades because the keen market at Winnipeg for such grain, due to demand from the United States, does not exist at Vancouver. Grain men here are not sure that the proposal of the Vancouver Grain Exchange, to extend the benefit of export grain rates on Vancouver shipments to grain shipped to the United States as well as to grain shipped to other countries would effect very much improvement in the feed grain situation at Vancouver.

Western Route Impractical

On such grain consigned to Gulf or to New England territory it might be possible to do business through Vancouver and the Panama Canal, but the belief here is that the effective demand for Canadian feed wheat is mostly from states to which shipment by the western route would be impracticable. There is more faith here in getting all rail rates lowered to points in the central northwestern states, so that feed grains might be shipped direct from Alberta points without going through either Vancouver or Winnipeg.

It is true that the delegates to the recent meeting of the Alberta Wheat Pool passed a resolution endorsing the wheat price stabilization operations conducted by Mr. McFarland and guaranteed by the Dominion Government, without any reference to the special Alberta situation, but feeling that there has been discrimination against this province is becoming fairly widespread, and supporters of the Ottawa administration are believed to be trying to get the Prime Minister to try to have something done about it.

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POLICY CHANGES PORTAGE MUTUAL IMPROVE RESULTS

Higher Rates, Elimination of Synthetic Fleets Help

Definite changes in underwriting policy, made this year by the Portage la Prairie Mutual Insurance Co., have resulted in improved loss experience and in creating a better financial situation in the company, The Financial Post understands. Changes which have been instituted during the year include more selective writing of farm fire risks, increase of automobile public liability and property damage rates to the tariff level and a halt in the policy of writing synthetic fleets.

Fire loss experience this year has been excellent, it is believed. Although this is the common experience of most companies, the Portage credits some part of this betterment to stricter underwriting, particularly of farm business. Throughout the year, the company has impressed on agents the necessity of holding fire coverage down to the replacement value of buildings covered. This, it is said, has had excellent results.

Due to the policy of the company of allowing synthetic fleet risks, written during the past two years, to lapse when they fell due, a considerable smaller amount of automobile business is now on its books. It is believed that this deliberate policy of allowing non-profitable automobile business to lapse will be continued next year unless there are rate changes.

Despite the increase of the p/l and p/d rates to the tariff level, fire, theft and collision coverages continue to carry part of the losses on the former. Passenger hazard has proven to be the heaviest loser, an experience common to all companies.

Ontario Fire Losses Show Good Reduction

October fire losses in Ontario showed a sharp reduction from the same month a year ago, total losses being $670,598 as compared with $728,589. There were also fewer fires reported, the October, 1934, total being 1,280 as compared with 1,317. Insurance loss in October this year, amounted to $544,611 as compared with $626,811 a year ago.

A six per cent reduction in fire loss is recorded for the first ten months of the year, the total being $8,890,162 as compared with $9,476,045. The number of fires recorded is practically the same being 13,118 this year as compared with 13,000 last year. Insurance loss this year amounted to $7,503,742 a reduction of almost 10 per cent.

There was a decrease during the first ten months of this year in all types of losses with the exception of factories, largest reduction being in barn and store losses.

Property Damage Rates Said to Need Revision

Necessity of an increase in automobile property damage rates to compensate for the higher cost of repairs which has followed introduction of such innovations as individual wheel suspension was stressed by an insurance executive, interviewed recently by The Financial Post. He pointed out that rates were not based scientifically on the value of the automobile body and that there had been a decided increase in this value in recent years.

In the case of individual suspension, he stated that his company's experience had been that in any accident in which this part of the car was damaged they had been unable to settle for less than $35. This compared with $15 or so on cars without this feature.

Licenses Issued

Security National Insurance Co. has received a certificate of registry authorizing it to transact, in Canada, the business of fire insurance and in addition, hail, sprinkler leakage, tornado, and insurance against damage to property of any kind caused by the explosion of natural or other gas, restricted to the insurance of the same property as is insured under a policy of fire insurance of the company.

General Accident Assurance Co. of Canada has received a certificate of registry authorizing it to transact forgery insurance in addition to the classes for which it is already registered.

Commercial Union Assurance Co. has received a certificate of registry authorizing it to transact, in Canada, fire, life, accident, automobile, burglary, inland transportation, limited explosion, plate glass, sickness and sprinkler leakage insurance and in addition thereto falling aircraft, earthquake, hail, tornado, riot and civil commotion, limited to the assurance of the same property as is insured under a fire policy with the company.

Loss Ratio for Hail Assoc. Expected to Be 60 Per Cent

By Staff Editor

REGINA—Member companies of the Canadian Hail Underwriters Association with head office in this city anticipate a loss ratio for the year of approximately 60 per cent for 1933, The Financial Post learns.

Complete figures for the past season are expected shortly.

Results vary considerably between various companies or company groups. Some groups have had a comparatively favorable year. Others have had a very poor experience. Volume of business is about the same as last year when the loss ratio was something under 50 per cent.

For 1935 one new departure which is under consideration by the association is the possibility of introducing a minimum loss clause in hail policies. The minimum suggested is 25 per cent. This innovation will probably be discussed when the association holds its annual meeting in Winnipeg early next year.

This innovation would be an extension of the principle inaugurated a few years ago for the inclusion of a deductible provision similar to that which is included in most policies for automobile collision coverage. Over 50 per cent of total business was written on the "deductible" plan this year.

New Factor Enters Auto Rate Picture

Licensing of London Lloyd's in Ontario may have an effect on automobile rates, it is believed. Although loss experience this year has been sufficiently bad to warrant increased rates in 1935, it is felt that an increase in rates would allow Lloyd's to make considerable headway in the field writing at lower rates and with a fair possibility of profit.

Should, however, rates be left as they are at present, it is thought possible that Lloyd's will not make such a strong bid for the business. Definite word of automobile rates for 1935 will likely be available following the tariff association meeting scheduled to start at Montreal on December 11.

Automobile Act Changes Ready For Enactment

Amendments to the Uniform Automobile Insurance Act, in effect in all Canadian provinces except Quebec, as approved by the Association of Superintendents of Insurance, have been drawn up in legal form and will be recommended to the various provincial legislatures for enactment. Draft of the proposed amendments was issued last week by R. Leighton Foster, Ontario superintendent of insurance, and secretary of the association.

The amendments are recommended by the Canadian superintendents pending a general revision of the act which will be prepared for consideration at the association's 1935 conference.

Among changes recommended is one which would enable the superintendent of a province to approve special forms of policies; another removes doubts and uncertainties and makes provision for fair distribution between the insurer and insured in cases of partial recovery; provision is made in another to cover the owner or whoever drives a car with his consent; another is aimed to defeat collusive claims of members of families; one deals with the minimum liability under the policy, and provisions dealing with excess coverage and defence where there is excess coverage would be changed.

Other amendments suggested would permit the insured to be added as a third party, change the clauses dealing with driving while intoxicated, restore the conditions dealing with repair or replacement when there is loss of damage to an automobile, and provide that the company must only refund premiums actually paid by the insured when a policy is cancelled.

LLOYD'S GRANTED ONTARIO LICENSE DESPITE PROTESTS

Gives Public Benefit of Low Rates, Says Premier

Despite many representations against it, the Non-Marine Underwriters, members of Lloyd's, London, last week was granted a license to operate in Ontario. At private hearings, held by the Attorney-General, over a period of three weeks, representations were received from the applicants and from counsel representing the All Canada Fire Federation, the Toronto Insurance Conference and the Ontario Fire and Casualty Agents Association. "The license was granted," according to the official statement made by Premier Hepburn, "after full consideration had been given to all the representations made."

The licensing of Lloyd's in Ontario follows the granting of a similar line license by the Province of Quebec in June, 1932. Conditions of the Ontario license follow closely the proposed Federal act defeated this year. Now that the Ontario application has been successful, it is expected that little difficulty will be found in obtaining licenses in other Canadian provinces as and when these are required.

Official Statement

In the official statement announcing the granting of license, Premier Hepburn states, in part, as follows:

"It is anticipated that the result of the license will be to make more fully available to the public of Ontario the special insurance services which this unique British institution offers. It involves no reflection upon nor comparison with other great and worthy institutions to say that Lloyd's of London has a world-wide and illustrious reputation arising both from its long history and its peculiar association with British commerce in all parts of the world.

"Of course the license is subject to the provisions of the act applicable to insurers generally and the licensees will require to pay the same scale of taxes and fees applicable to other classes of insurer. In addition, special regulations appropriate to the case have been adopted under the authority of section 78 of the Ontario Insurance Act, which follow the general lines of the Insurance Companies Act, 1909, of Great Britain and the regulations of the Board of Trade of Great Britain made thereunder.

Need British Certificate

"The Order-in-Council requires production of a certificate of the chairman of Lloyd's, countersigned by the proper official of the Board of Trade of Great Britain, that the underwriters have complied with the requirements of the Imperial Act and the regulations thereunder, which include the deposit of securities and financial guarantees by every underwriter in amounts deemed adequate for their world-wide business. The Ontario Insurance Act expressly provides that members of London Lloyd's who comply with these regulations are not required to make a special deposit in Ontario as a condition of license and the government believes that the interests of the insuring public are adequately protected by these guarantees.

"The government is informed that all business written by Lloyd's in Ontario will be written through Canadian agents and brokers. The regulations adopted in the Order-in Council approved today include a requirement that the chairman of Lloyd's shall file an undertaking that all underwriters at Lloyd's will accept service of process in Ontario and submit to the jurisdiction of Canadian courts in all matters arising out of their policies.

Sees Strong Competition

"The government recognizes the opposition to this application which has been offered by the other licensed companies and local agents. It has been admitted that in some lines of insurance Lloyd's may offer serious competition in premium rates and forms of policy to the present licensed companies, but the government has not been able to find any sound ground upon which it might deny to the citizens of Ontario insurance facilities of the character offered by Lloyd's on a basis of fair competition."

END SEEN NEAR FOR MANITOBA'S INSURANCE CLUBS

Legislative Committee Holds Final Hearing at Winnipeg

By Staff Editor

WINNIPEG—This province seems to be moving at last to stamp out the assessment or insurance club evil.

Last week the special legislative committee headed by Hon. W. J. Major, K.C., attorney-general of the province, met here to listen to representations on behalf of the six clubs still operating in the province, and also to hear expert evidence on behalf of the Canadian Fraternal Association. The experts included: Prof. M. A. Mackenzie, actuarial expert from the University of Toronto; V. A. Sinclair, K.C., formerly chairman of the Workmen's Compensation Board of Ontario; and E. K. Williams, K.C., of Winnipeg.

End is Near

The committee concluded its hearings and will make a report at the next session of Parliament. It is believed the report will recommend the definite elimination of the insurance club in Manitoba. Some provision may be made to enable clubs already in existence to continue if after a short waiting period they can achieve a sound actuarial basis.

Manitoba is the last Canadian insurance jurisdiction to allow this ancient but dangerous type of insurance organization to operate within its boundaries. Every other province has either eliminated these clubs entirely or has brought existing clubs under rigorous control and prevented the formation of new ones. No such clubs are allowed to operate on a federal charter. It has been successfully proven that this type of association though appearing to offer cheap insurance, is not as a rule actuarially sound and sooner or later reaches financial difficulties with disastrous effect to surviving subscribers or members.

The matter has been in abeyance in Manitoba for the past two years. Initial steps toward elimination of these clubs having been taken when new uniform life insurance legislation was passed by the province two years ago.

Clubs which appeared before the committee were as follows:

Winnipeg Benefit Association—represented by John McLean.

Commonwealth Club—represented by J. D. Suffield. A small philanthropic organization with 110 members and surplus of $2,800. Claimed not to be an insurance club but merely paying immediate death benefits to beneficiaries, ranging from $110 to $1,400. No dues have been asked from members in recent years due to the depression.

Decker Mutual Club—represented by W. J. Burgees. Recent benefits claimed to be around $900 each. Last two benefits were paid on account of members who had contributed only $10 each. Function of club believed justified in supplying needs of those who could not afford regular insurance protection. Placing of club on actuarial basis "might dislocate the whole organization" in the opinion of Mr. Decker.

Mutual Supporting Society—represented by F. F. Semans and his son, Walter Semans. Formerly of Manitou and now of Winnipeg this organization stated it had engaged an actuary and was working toward an actuarial basis.

1,600 Club of Killarney—represented by F. H. Teskey the club was stated to have 2,250 members and a maximum benefit of $2,000.

Manitoba Mutual Benefit Association—represented by Ralph Maybank, M.L.A. Dues were normally $10 with an assessment of $1 when a member died. No benefits paid as yet had been below $1,000.

According to Professor Mackenzie the benevolent purposes of these clubs were deserving of sympathy but disaster was bound to come if the clubs continued to operate under their present system. The clubs should cease altogether to function unless they could place their affairs on an actuarial basis, he contended.

Quebec Apts. Bondholders Told to Make Exchange

Bondholders of Quebec Apartments have been notified by O. D. McCooey, secretary, to exchange old 6½ per cent bonds for new five per cent bonds and common stock, in order that they may receive interest payable Jan. 1, 1935. Holders of the 6½'s are entitled to receive half the face amount in five per cent bonds and one share of common for each $100 of old bonds.

The exchange was made binding by sanction of bondholders at a meeting on Feb. 5, 1934. The amount of bonds outstanding was reduced from $658,200 to $329,100 and the interest rate was dropped from 6½ to five per cent. The only other security of the company is the common stock of which 7,800 shares will be issued upon completion of the scheme. Bondholders will hold 6,582 of these, if and when all the old bonds are exchanged.

Public Utility Earnings

Mexican Light & Power

September:	1934 $	1933 $	Decrease $
Gross earn. ..	579,815	685,986	106,171
Oper. exp. ...	456,728	422,811	*33,917
Net earn.	123,087	263,175	140,088
Nine months:			
Gross earn. ...	6,097,120	6,657,924	560,804
Net earn.	2,031,521	2,454,642	423,121

*Increase.

Important Changes Planned London Life Policy Holders

Participating policyholders of the London Life Insurance Co. will receive a lower scale of dividends on their policies in 1935, according to announcement made by the company this week.

The change is attributed to the general lowering of interest rates which has affected all companies materially in the past year.

Only at younger ages will the new rates not reflect the downward trend. Some actual increases will occur here due to distribution of mortality profits in keeping with recent experience.

Other important changes to be made, include a cut in the rate of interest paid on policyholder funds left with the company from 5 to 4½ per cent for 1935, The Financial Post learns. Cash values on most of the company's policies have also been reduced.

Significant changes have also occurred in rates and conditions on the company's pension bonds. Pension bonds rates have been increased all along the line, it is learned, and in most cases maturity values have been lowered.

The company states there will be no change in its non-participating rates, for the time being at least.

Russia Today

by
ERIC G. ADAMS

Industrial Development Proceeds on Big Scale—Special Attention Paid to Scientific Research

"Was the First Five-Year Plan a success?"

This is a question commonly asked concerning the operation of the national economy of the U.S.S.R., to which, of course, can truthfully be answered both "yes" and "no." In some respects results more than fulfilled the utmost expectations, and in others they fell short.

One factor that is not generally taken into consideration in an appraisal is that the plan, as laid down by the State Planning Commission, included both maximum and minimum figures, as all economic plans, even for individual firms, should. In reprinting the plan figures, however, only the maxima were shown for the sake of brevity. Thus in many instances, where the results were not up to the maximum control figures they were between the maximum and minimum, and so were considered quite successful. Russians love to make plans, so the conception of successive five-year plans may be both economically and psychologically sound, for that country.

Second Five-Year Plan

The Second Five-Year Plan is not primarily devoted to pushing light industry, as is generally assumed. On the contrary, in the words of V. V. Kuibyshev, president of the State Planning Commission, "The completion of the reconstruction of heavy industry is the task of the Second Five-Year Plan period." The first plan accomplished much toward the creation of a machine-building industry, reconstructed the power base and strengthened the fuel base of the national economy, and laid down a foundation for the chemical industry.

The Second Five-Year Plan, as well as completing the heavy industry programme, must also overcome the lagging in transport, and lastly, begin the real development and expansion of the light and food industries.

Without going into details, I might note in passing, that the Second Five-Year Plan calls for an increase of 2.1 times in the output of machine-building and metal-working industries, to reach a level in 1937 of 250 per cent of the output of the same industries in Germany and 57 per cent of that in the United States in 1929.

Kharkov Tractor Plant

The new tractor factory at Kharkov is perhaps typical of many of those constructed under the First Five-Year Plan. It is situated some 10 kilometres outside the City of Kharkov. During the construction period most of the people of the city contributed their free days in manual labor out at the tractor factory. As a result, the whole city considers this factory as their factory. In a similar way the workers in the factory consider that they are working for themselves and that the tractors that they make are their tractors. While they cannot use the output of the factory directly, they do feel definitely that they get a very tangible indirect return in the shape of more and better agricultural products. This feeling of working for themselves I found in every worker with whom I talked, and I should say that this is a very definite incentive affecting both the quality and quantity of their work.

The grounds around the factory proper have been nicely parked and landscaped, a practice which is apparent in many places where a new plant has been built. Across the road from the factory buildings and about three minutes walk distant is the new workers' settlement. Here are nearing completion apartments, nursery, school, dispensary, stores, recreation grounds, etc., in fact everything to make the settlement completely self-contained.

Up-to-Date Equipment

The plant employs between 18,000 and 20,000 workers and has at present an output of 145 tractors a day. Perhaps the assembly line moves more slowly than in the Ford plant, that I could not say. At any rate the tractors run when they come off the line. The machine tool equipment is most up-to-date, comprising machines of English, American, German and Scandinavian make.

The question is often raised as to the possibility of the temperamental Russians ever becoming efficient engineers and machinists. One answer to this ought to be the newly opened Kramatorsk heavy machine-building plant. I did not see this plant myself, but am taking another's word. It was built entirely by Soviet engineers, of Soviet materials, and will be manned entirely by Soviet technicians. Situated near the coal mines in the Donetz basin, its function is to produce smelting equipment, blooming and rolling mills, cranes, Diesel engines and turbines to eliminate the U.S.S.R.'s dependence on foreign manufacturers for much of this heavy machinery. The gigantic size of the enterprise is evident from the fact that the scheduled output of the iron foundries alone when brought into full operation, will be 60,000 tons of castings yearly, about twice that of the Krupp works in Germany.

Giant Power Plant

The flair for doing things on a grand scale seems to be inherent in the Russians just as it is in Americans. Besides building plants which "are the biggest in the world" this tendency is exemplified in a different manner in such gigantic integrated industrial developments as that being built around the new hydro-electric station on the Dnieper River. Of course, this power house itself is a giant, the largest in the world in terms of capacity. The plant is designed for nine turbines of 90,000 h.p. each, or 810,000 h.p. in all. When I visited it in September, only five generators were in operation, since the transmission lines are not yet completed. Seven generators were installed and the eighth was in process of being installed. Five of the generators were built by General Electric, the others by Electrosila in Leningrad. The turbines came from Newport News. The Russian engineer who showed me around boasted that the Soviet generators now in operation were slightly superior to the General Electric machines. I suppose his contention has either been confirmed or disproved by this time, for G. E. engineers were running tests on two generators, one of their own make and one of the Soviets when I was there.

Associated Plants

The integrated industrial development mentioned above consists of various manufactures using large quantities of electric power and situated in close proximity to the dam and power house at Dnieproges. At present there are in operation but not yet completed an aluminum combinate, ferro-alloy combinate, coke-chemical combinate, electro-metallurgical combinate, tool-steel plant and 30 or 40 miles up the river there is also the large metallurgical centre at Dniepropetrovsk.

I saw some of the plans for Great Zaporozhie, the great city which will eventually embrace both the present Zaporozhie and Dnieproges (now some 10 miles apart) to house and cater to the workers of all these integrated enterprises when they swing into full production.

Planned complementary developments like this are held up as examples of the efficiency of their system by the Soviets. In other words, they claim the greatest efficiency on the scale of whole industries and the national economy, while we claim it for individual machine and plant operation.

Pioneering Enterprise

Still another type of industrial plant is the Red Putilov Works covering nine square miles in Leningrad. Because of its long experience and its corps of highly skilled workers and engineers, Putilov has come to be the plant where new manufacturing enterprises are pioneered. Here actual experimentation on a commercial scale is practised in the manufacturing processes of various products before their manufacture is transferred to another plant. The first tractors were made in Putilov, but, as soon as the best methods had been determined and new facilities built elsewhere, tractor production was shifted to the Stalingrad and Kharkov plants. Now the Putilov tractor factory is turning out cultivators. But that is not all. Putilov also produces turbines, compressors, transformers, hydro-electric equipment and various small machine parts.

Of course all this diversification and experimentation cuts down the amount of mass production possible and consequently the efficiency of the plant. But since the work done in Putilov raises the efficiency of many of the other plants in the Union, this is justified from the standpoint of the economy of the country as a whole.

From a discussion of the commercial experimentation of Putilov the subject of industrial research in general arises naturally. Attention and money is being devoted to research of all kinds, even in directions which now appear to be more "pure" than "practical." I was most interested in work in the electrical field, but I understand that the situation is substantially the same in other fields also.

Scientist at Work

In Leningrad, for instance, I spent several hours with the professor in charge of the large hydro-technical experimental laboratory there. He kindly took me all over his laboratory and explained the work he is doing. Some of the problems on which he is working are being tackled nowhere else in the world at the present time. One field in which his work has saved the country considerable sums embraces the silting properties of streams on which hydro-electric stations are to be built. Upon his advice, designs of some of the new stations in the Caucasus have been amended with most satisfactory results.

Another electrical man with whom I talked was engaged in dielectric research in the electro-technical laboratory in Moscow. This place employs some 2,000 research men and assistants, which gives some indication of the importance attached to this type of work.

These scientists doing research work seem particularly happy and enthusiastic. Because their work is judged so important, the government has given them assistance and almost a free rein to go wherever their researches lead them. To a real research man such conditions of work approach Utopia, regardless of whatever material discomforts in living there may be at present.

Dangerous as it is to generalize about anything in the U.S.S.R., from my limited observations I should conclude that in industry, not only have the Russians made real progress already, but they are on the way to even greater things in the future. They are only catching up to the western nations in industrial production, but when the effects of all the effort they are putting into research begin to show we may have more than the competition of so-called forced labor to worry about.

The Author

In this group of articles Mr. Adams tells about what he saw during a month in Russia this fall.

The author is a young Canadian, a McGill and Harvard Business School graduate, now secretary of the Newsprint Export Manufacturers Association of Canada.

No Communist, he has been a long distance student of Russia for many years and prepared himself for this trip, which he took with his wife, by studying the Russian language. He covered the Eastern European part of Russia from north to south by railway, airplane and motor car, passing twice through the Ukraine in different sections.

Mr. Adams has endeavored to present his impressions free from bias. Any opinions expressed are his own.

New Non-Par Rates Planned By Monarch Life Assurance

By Staff Editor

WINNIPEG—New non-par rates will be announced by Monarch Life Assurance Co., to become effective about January 1, The Financial Post learns. The new rates will approximate the present level of the "Hartford" group of non-par companies in the U.S.

Total paid-for business of the company is higher by 16 per cent for the year to date it is reported. Business in force is also slightly higher. This is the first time in several years the company has been able to make definite headway in business in force in the face of the difficult conditions which have faced all companies in recent years.

Only other change of importance to be inaugurated for 1935 is a reduction in the interest paid on moneys left on deposit. For the coming year this will be five per cent. This year the figure has been 5½ per cent for some moneys and five per cent for others. No change will be made in dividend rates to holders of participating business policies.

Other favorable features of the company's position are that new money is available for investment and is being put into high grade bonds. Collections are stated to be very satisfactory.

Obituary

Robert M. Moncur, for the last 17 years manager of Gorman, Eckert & Co., wholesale grocers, died at Toronto, Dec. 2, 1934.

Albert Kerr, president of Albert Kerr Hide Co., died at Toronto on Dec. 3, 1934, in his 76th year.

George Oakley, former member of the Ontario legislature and president of Geo. Oakley & Son, Toronto, cut stone contractors, died suddenly at Hamilton on Dec. 3, 1934.

Muskrat Scout

A unique industry has been established at Bridgetown, N.S. by the launching of a river houseboat to ply up and down Annapolis River in quest of muskrats. This project is being promoted by Edward Waines, formerly of Halifax.

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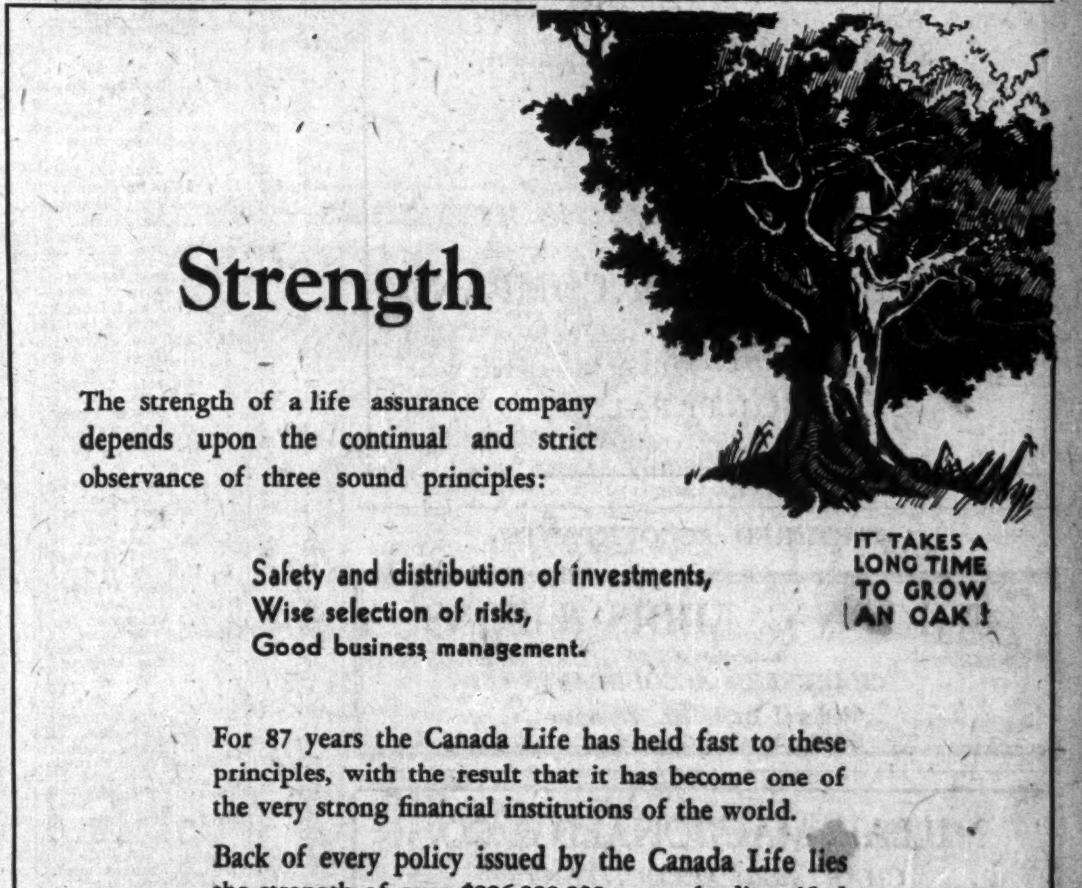

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING DECEMBER 3

Range 1934 High	Low	Divd. Rate in $	Y'ld in % Dec. 1		Sales	Close Nov. 26 (or last)	Week Ending —Dec. 3— High	Low	Close
				A					
2.50	.75	.	...	Abitibi	420	1.15	1.25	1.05	1.10
10½	3	.	...	Do. pref. 6%	303	4½	4	3½	3½
7½	2	.	...	Do. cert. dep.	687	3½	4⅜	3½	4
4	3	.	...	Acme Glove	....	4	..	..	..
25½	25	3.25	...	Do. pref.	....	25	..	..	..
8½	5½	20c	...	Agnew Surp.	40	8	7½	7½	7½
95	72	7	7.4	Do. pref.	10	90	95	95	95
7	3	.	...	Alta. Pac. Gr.	....	3	..	..	..
23	14½	.	...	Do. pref.	325	15	15	14½	15
2½	1½	.	...	Amal. Electric	....	1½	..	..	..
15	10	.	...	Do. pref.	200	15	15	15	15
15½	15½	.	...	Amer. Cyn. B.	....	15½	..	..	..
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
13½	5	.	...	Asbestos, v. t.	135	5½	5⅝	5⅝	5⅝
14⅞	9½	25c	...	Assoc. Brew.	261	13	13½	12⅞	13
101	85	7	6.9	Do. pref.	....	101	..	..	..
4½	3	.	...	Assoc. Can.	....	3	..	..	..
				B					
58½	56	.	...	Bank of Canada	374	56	57	56	56
145	125	8	6.2	Bk. Can. Nat.	11	130	130	130	130
205	167	8	3.9	Bk. Montreal	165	204½	204	202	203
280	247	12	4.3	Bk. N. Scotia	69	275	280	275	276
217½	161½	10	4.6	Bk. Toronto	42	217	217½	217½	217½
16⅞	15	50c	...	Barcelona	....	15	..	..	..
8½	3	.	...	Bathurst Pr.	190	5½	5½	5	5½
3.50	.75	.	...	Do. (B)	5	1.35	1.35	1.35	1.35
1½	1	.	...	Bawlf Grain	9	1	1	1	1
20	7	.	...	Do. pref.	30	20	19	19	19
4	2	.	...	Beath & Sons	....	2	..	..	..
10	6½	.	...	Beatty Bros. A	100	8	8	8	8
88½	69	6	6.8	Do. pref.	....	88	..	..	..
9⅞	3½	.	...	Beauharnois	1561	6⅛	6¼	5⅞	5⅞
85	65	4	4.9	Belding Cort.	....	82	..	..	..
105	97	7	7	Do. pref.	....	100½	..	..	..
127	110	6	4.8	Bell Telephone	434	123	124	122½	123½
13½	7½	50c	...	Biltmore Hats	75	13½	13	13	13
93	85	7	7.5	Do. pref.	....	93	..	..	..
6	2	.	...	Bissell, T. E.	....	4	..	..	..
29	18	.	...	Do. pref.	....	18	..	..	..
6	4	.	...	Blue Ribbon	....	4	..	..	..
32	25	2	7.2	Do. pref.	15	28	28	28	28
28	22	2	7.7	Brant. Cord. pf.	443	28	28	26	26
14⅞	7½		...	Brazilian Tr.	4848	10⅛	10⅛	10¼	10½
2.95	.55	.	...	Brew. & Distil.	1790	.75	.75	.65	.70
11	3½	.	...	Brewing Corp.	3069	4⅜	4⅜	4	4½
32⅞	15½	3	14.3	Do. pref.	2165	23½	23	20½	20½
12	10	30c	2.6	Bright, T. G.	25	10	11⅛	11⅛	11⅛
75½	75½	6	8	Do. pref.	10	75½	75½	75½	75½
15⅞	12	80c	5.5	Brit. Amer. Oil	6198	14⅞	14⅞	14½	14⅞
3.87	1.10	.	...	B. C. Packers	260	1.25	1.25	1.20	1.25
20	10	.	...	Do. pref.	60	18	18	16	18
32⅞	22⅞	1.50	5.7	B. C. Power (A)	310	26	26½	26½	26½
8½	4½	.	...	Do. (B)	555	4½	4½	4½	4½
22	12½	$1+5c	7.5	Bruck S. Mills	1175	14	14	13½	14
23½	16½	1	4.3	Building Prod.	110	23	23	22½	22⅞
34	27	2	6.6	Burt, F. N.	280	31	30⅞	30	30
				C					
x125	125	6	...	Calgary Pr.					
5½	2	.	...	Canada Bread	165	3⅛	3⅛	3	3
64	23	.	...	Do. pref. A.	35	60	57	56	57
21	8	.	...	Do. pref. B.	....	15	..	..	..
12	7	.	...	Canada Bud	175	8	8	7½	7½
12	4½	.	...	Canada Cement	1590	7⅞	7⅞	7½	7½
56	32	.	...	Do. pref.	2969	52⅞	56	52⅞	55½
b29½	12½	1	5.9	Canada Dry	2700	16⅞	17	16	16⅞
6½	2½	.	...	Can. Forg. (A)	....	2⅞	..	..	..
4	4	.	...	Do. (B)	....	4	..	..	..
20½	18	.	...	Canada Iron	....	20½	..	..	..
60	50	3	6	Do. pref.	....	50	..	..	..
§*425	425	20	...	Canada Life					
35⅞	26⅞	1.50	5.2	Can. Malting	920	29⅜	29⅞	29	29
22½	16½	1	5.6	Can. Nor. Pr.	235	18½	18½	18	18
105	88½	7	6.9	Do. pref.	149	103	102	102	102
.10	.10	.	...	Can. Paving	....	.10	..	..	..
4	1½	.	...	Do. pref.	....	1½	..	..	..
140	117	8	6.4	Can. Perman.	20	123	125	125	125
3.75	.70	.	...	Can. Steamships	130	1.75	1.50	1.25	1.50
9	2½	.	...	Do. pref.	104	4½	4½	4½	4½
29	21½	1.60	5.7	Can. Vinegars	265	28	28½	27½	28
25	20	.	...	Can. W. Cable	....	20	..	..	..
13½	5½	.	...	Do. (B)	....	12	..	..	..
4	2½	.	...	Can. Bakeries	....	2½	..	..	..
12	9	.	...	Do. pref.	....	9	..	..	..
166	127	8	4.8	Can. Bk. Com.	748	163	165½	162½	164½
27	17	60c	2.3	Can. Bronze	480	26	26½	26	26½
*111	95	7	6.4	Do. pref.	....	110	..	..	..
8½	5	.	...	Can. Canners	56	5	5½	5	5½
93½	75	6	6.5	Do. 1st pfd.	69	92	92	91½	91½
10½	6⅞	30c	3.4	Do. 2nd pfd.	573	8⅞	8⅞	8⅞	8⅞
9⅞	5½	.	...	Can. Car & Fdy.	1090	6⅞	7	6⅞	6⅞
16	11½	.	...	Do. pref.	605	13⅞	13½	12⅞	13
22½	15½	.	...	Can. Celanese	350	19	19½	19	19
120	104	7	6.1	Do. pref.	46	118	115	115	115
45	30	2	6.7	Can. Convert.	35	30	30	30	30
72	41	4	7.2	Can. Cottons	10	56	56	56	56
95	70	6	6.4	Do. pref.	5	93	93	93	93
34½	17	50c	2.2	Can. Dredge	705	23	23	21⅞	21⅞
106½	106	7	6.6	Do. pref.	....	106	..	..	..
70	65	6	8.6	Can. Fairb. pf.	....	70	..	..	..
27½	9	$1+25c	4	Can. For. Inv.	245	25½	27½	26	27½
107	80	8	7.5	Do. pref.	....	107	..	..	..
160	124½	3	1.9	Can. Gen. Elec.	....	156	..	..	..
67	39	3.50	5.5	Do. pref.	135	64	67	63½	63½
§6½	4	40c		Can. G. Inv.					
76	54½	6	8.8	Can. Hyd. El. p.	76	68	66	67½	67½
20½	5½	.	...	Can. Ind. Alc.	6025	9	8⅞	7½	7½
19⅞	5			Do. (B)	852	7½	8	6⅞	7½
181	148	4	2.2	Can. Indust. B.	....	179½	..	..	..
142	128	7	5	Do. pref.	....	140	..	..	..
†5.00	3.95		...	Can. Int. I. Tr.					
20	20			Do. pref.	....	20	..	..	..
40	19	1	5	Can. Lt. & Pr.	....	20	..	..	..
2½	1½			Can. Locomo.	....	2	..	..	..
b4½	1½	.	...	Can. Marconi	3500	1⅜	2	1½	1½
18	10	50c	3.9	Canadian Oil	120	13½	14	12⅞	12⅞
120	92	8	6.8	Do. pref.	41	117	117	117	117
18½	10½	.	...	Can. Pacific	7001	11⅛	12	11½	11⅛
3.00	1.25	.	...	Can. Vickers	100	1.50	1.30	1.25	1.25
6½	4½	.	...	Do. pref.	18	5	5	5	5
§49	46	2		C. West'ghouse	....	..	..	..	..
11½	4½	20c	3.5	Can. Wineries	185	5½	5⅞	5½	5⅞
16½	13	1*	7.2	Can. Wire Box	210	14	14⅞	14	14½
9½	7	.	...	Catelli Mac (A)	....	8½	..	..	..
2⅞	1	.	...	Do. (B)	600	1	1½	1	1
§245	245	8		Cent. Can. Loan					
9	7	60c	8.6	Champ. Oil, pf.	650	7½	7½	7	7
3.50	1.10	.	...	Chem. Research	9600	1.82	2.00	1.75	1.85
14⅞	2	.	...	City Gas & Elec.	....	2	..	..	..
.80	.30	.	...	Claude Neon	....	.30	..	..	..
11	5⅞	.	...	Cockshutt Plow	825	7	7½	6⅞	7
1.50	.30	.	...	Comm. Alcohol	75	.60	.75	.75	.75
2	½	.	...	Conduits	....	½	..	..	..
60	50	.	...	Do. pref.	....	50	..	..	..
12½	7	20c	...	Cons. Bakeries	827	11½	11⅞	11½	11½
1.50	.40	.	...	Cons. Indust.	....	.50	..	..	..
3.50	1.00	.	...	Cons. Paper	1784	1.50	1.75	1.50	1.50
11½	6		...	Cons. Press	....	7	..	..	..
30	22		...	Cons. Sand, p.	105	22	22	22	22
170½	118	1	...	Cons. Smelters	434	136	137	135	135
200	165	10	5.2	Consumers' Gas	113	190	193	191	191
41½	23		...	Corr. P. Box, p.	....	41½	..	..	..
10½	5⅞		...	Cosgrave Brew.	....	6	..	..	..
13	7½		...	Cosmos Imp.	21	13	13	11½	13
100	80	7	7.1	Do. pref.	5	99	99	99	99
4½	2	.	...	Crown Dom. Oil	270	2	2	2	2
28	14	4	...	Crow's N. Coal	....	25	..	..	..
				D					
1.10	1.00	.	...	David & Fre. B	....	1.05	..	..	..
2⅞	2	.	...	Do. (A)	....	2⅞	..	..	..
4⅞	1	.	...	De Havilland	....	1½	..	..	..
30	22	.	...	Do. pref.	....	24	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
8½	6	.	...	Do. pref.	....	8½	..	..	..
26½	8⅞		...	Distill-Seagram	52910	17⅛	17⅞	14⅞	15½
198	133	10	5.1	Dom. Bank	30	195	195	193	193
37	25½	2	6.2	Dom. Bridge	975	32⅞	33½	32	32
110	10	.	...	Dom. Coal	521	107	110	107	108
28	18½			Dom. Engineer	....	22	..	..	..
100	81	5	5.1	Dom. Glass	7	100	100	99	99
135	113	7	5.4	Do. pref.	43	131	130	130	130
.90	.05	.	...	Dom. Motors	....	.05	..	..	..
1½	1			Dom. Pr. Stubs	....	1½	..	..	..
80	80	7	8.7	Dom. Rubber p.	....	80	..	..	..
5⅞	2½			Dom. St. & C.B.	18567	4½	5½	4	5½
23	12½	1.20	9.2	Dom. Stores	1065	13	13½	12⅞	12⅞
5½	1½	.	...	Dom. Tar & Ch.	4415	2⅞	3⅞	2½	3½
35	15		...	Do. pref.	904	26	35	29½	34½
88	67	5	5.9	Dom. Textile	420	84	84	83½	84
140	112	7	5.2	Do. pref.	22	135	135½	135	135
7½	3		...	Dryden Paper	485	4½	4½	4	4
4	2			Duff. Paving	50	2	2	2	2
40	18			Do. pref.	20	21	23	23	23
				E					
3	3	.	...	East. Koot. Pr.	....	3	..	..	..
3	3	.	...	Do. pref.	....	3	..	..	..
5	2		...	East. Dairies	130	3	3½	3½	3½
13	6			East. Steel	....	10	..	..	..
80	72	7	9.7	Do. pref.	....	72	..	..	..
‡34	34		...	East. Theatres	....	..	..	..	..
75	60	7	11.7	Do. pref.	....	60	..	..	..
5½	1½		...	Easy Washer	25	1⅜	1⅜	1⅜	1⅜
15	10	18¾c	..	Economic Inv.	....	13½	..	..	..
†15	15	.	...	Edmonton D'y	....	..	..	..	..
†80	78⅞	6.50	...	Do. pref.	....	..	..	..	..
3½	1	.	...	Enam. & Heat.	....	1	..	..	..
16	5½	.	...	Eng. Electric	60	6	6½	5½	5½
6	2½	.	...	Do. (B)	10	3	2½	2½	2½
				F					
18	10	.	...	Fam. Players	....	12½	..	..	..
17	10	.	...	Do. Vot. Tr.	5	12½	12½	12½	12½
8½	7	.	...	Fanny Farm., n	4875	8½	8½	7½	8
32½	11½	1	...	Fanny Farmer	....	29½	..	..	..
38	28	2.40	...	Do. pref.	....	36⅞	..	..	..
25½	15	75c	...	Ford Motors A.	10248	25	25½	24½	24½
3⅞	⅞	.	...	For. Pr. Secs.	....	⅞	..	..	..
16½	10	25c	..	Foundation Co.	50	14	13⅞	12	12
12½	3	.	..	Fraser Cos.	10	4	4½	4½	4½
9	2	.	...	Do. Vot. Tr.	....	3½	..	..	..
60	60	6	10	Freiman, pref.	....	60	..	..	..
3	2	.	...	Frost Steel	....	2	..	..	..
47	30	.		Do. pref.	155	45	47	45	45
				G					
6	3	.	...	Gen. St. Wares.	225	3⅞	4	4	4
46	14½			Do. pref.	578	30	40	31½	40
141	90	5	3.5	Goodyear Tire	65	137	141	137	141
116	106	7	6.1	Do. pref.	288	114½	114½	112½	113
3⅞	1	.	...	Gt. W Saddlery	....	1	..	..	..
21½	11	.	...	Do. pref.	....	19	..	..	..
11½	5	.	...	Gurd, Chas.	100	6	6	5⅞	6
§100½	100	7	..	Do. pref.					
8⅞	4½	.	...	Gypsum, Lime	1025	5½	5⅞	5	5½
				H					
9⅞	4	.	...	Ham. Bridge	220	4½	5	4½	4½
37	21	.	...	Do. pref.	125	21½	23	23	23
22	14	.	...	Ham. Cot. pf.	....	22	..	..	..
2⅞	1	.	...	Ham. U. Theat.	30	1½	1½	1½	1½
56	46	7	...	Do. pref.	....	50	..	..	..
‡50	50	.	...	Hillcrest Coll.		..	..	..	..
‡91	91	.	...	Do. pref.		..	..	..	..
9⅞	5⅞	.	...	Hinde & Dauch	615	9½	9⅞	9½	9½
12	12	.	...	Holt Renfrew	....	12	..	..	..
50	35	.	...	Do. pref.	....	39	..	..	..
1.60	.25	.	...	Honey Dew	40	.30	.30	.30	.30
11	2	.	...	Do. pref.	180	5	7	6½	7
11	4		..	H. Smith Pap.	720	8½	9½	8	9½
79	33	.	...	Do. pref.	115	76	79	76	79
27½	24	2	7.3	Humberstone S.	....	27½	..	..	..
18	9	50c	5.3	Hunts (A)	....	9½	..	..	..
16	8½	50c	4.5	Do. (B)	....	11	..	..	..
95	70	6	7.3	Huron & E. Mt.	65	80	82½	80	82½
15	13	.	...	Do. 20% pd.	15	13½	14	14	14
8	4½	.	...	Hydro Electric	....	4½	..	..	..
				I					
200½	141	10	5	Imperial Bank	51	200	200	199½	200
17⅛	12⅛	50+15c	4	Imperial Oil	11873	17	17½	16⅛	16½
12⅞	10½	52½c	4.3	Imperial Tob.	1851	12½	12⅞	12½	12⅞
17½	14	.	...	Inter. City Bak	....	17	..	..	..
15½	15	4	...	Inter'c Coal	....	15½	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b9½	2⅞	.	...	Int. Hyd. E. A.	5500	3	3	2½	2½
6	3½	.	...	Int. Metal Ind.	490	5½	6	5½	5⅞
40	40	.	...	Do. pref.	....	40	..	..	..
110½	99	7	6.4	Inter. Mill., pf.	20	110	110	110	110
100	94	6	6	Do. Series A.	35	98	100	100	100
29	21½	15c	...	Inter. Nickel	10192	23½	23½	22½	22½
5	3	.	...	Inter. Paints	....	4	..	..	..
b6½	2	.	...	Int. Pa. & P. A	1000	2½	3	2½	2½
b3½	1½	.	...	Do. (B)	200	1½	1⅞	1⅞	1⅞
b2⅞	⅞	.	...	Do. (C)	2400	1½	1½	⅞	1
b24½	8½	.	...	Do. pref.	5800	12	12	10	10
32⅞	19½	1.56	5.1	Inter. Pete.	7024	31½	31⅞	30½	30½
4	2	.	...	Inter. Power	....	4	..	..	..
45	14	.	...	Do. pref.	50	38	35½	35	35½
13½	13	.	...	Inter. St. Rly. A	....	13	..	..	..
2⅞	2½	.	...	Do. (B)	....	2½	..	..	..
6½	2	.	...	Inter. Util. (A)	30	2	2½	2	2½
1.50	.35	.	...	Do. (B)	400	.40	.45	.40	.45
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
110	97	7	6.4	Do. pref.	5	110	110	110	110
				K					
5½	4	.	...	Kelvinator	215	4½	5	4½	5
102½	80	7	6.8	Do. pref.	200	100	102½	102½	102½
				L					
15	9⅞	.	...	Lake of Woods	405	12½	13	12	12⅞
85⅞	56	.	...	Do. pref.	....	80	..	..	..
82	75	4	4.9	Landed Bank	....	82	..	..	..
5	1	.	...	Langley's	....	2½	..	..	..
63	25	7	15.5	Do. pref.	10	50	45	45	45
59	47½	3	5.2	Laura Secord	65	58	58	57½	58
3½	1½	.	...	Lindsay, C. W.	20	2½	2	2	2
40	35	.	...	Do. pref.	....	38	..	..	..
18½	14	1	5.7	Loblaw (A)	1619	17½	17½	17½	17⅞
17½	13½	1	5.8	Do. (B)	70	17⅜	17½	17½	17½
				M					
8	3½	.	...	MacKin. Steel	....	5	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
4	1½	.	...	Manitoba Pr.	....	1½	..	..	..
1.75	1.00	.	...	Maple Leaf, n.	150	1.25	1.25	1.00	1.00
14½	11	.	...	Marcus Loew's	1	14	14½	14½	14½
102	60	7	6.9	Do. pref.	....	101	..	..	..
8½	3½	.	...	Massey-Harris	6247	3½	4	3⅞	3⅞
14⅞	10½	80c	6	McColl Fron.	4967	13½	13⅞	13	13½
92	71½	6	6.5	Do. pref.	176	90⅞	92	90⅞	92
17	9½	50c▲	..	Melchers (A)	481	12	12	10½	10½
11	3	.	...	Do. (B)	65	4	4	3½	3½
‡35	35	.	...	Mercury Mills	....	..	..	..	..
18	15	.	...	Do. pref.	....	15	..	..	..
16	15	.	...	Mitchell, J. S.	....	16	..	..	..
100	100	7	7	Do. pref.	....	100	..	..	..
10½	3	.	...	Mitchell, Robt.	155	3⅞	4	3	3
8	5	.	...	Monarch Knit.	....	5	..	..	..
72	45	1▲	...	Do. pref.	50	70	70	70	70
45	25	.	...	Montreal Cot.	....	30	..	..	..
87	67	7	8.6	Do. pref.	....	80½	..	..	..
½	½	.	...	Montreal Exhib.	....	½	..	..	..
4	3½	.	...	Mont. Is. Pr.	....	4	..	..	..
39½	26⅞	1.50	4.9	Mont. L. & Pr.	6682	31	31½	30	30½
47	38	2.50	5.8	Montreal Loan	....	43	..	..	..
5½	5	.	...	Mtl. Ref. & S. P.	....	5	..	..	..
1½	1½	.	...	Do. Vot. Trust	....	1½	..	..	..
55	50	3.20	6	Montreal Tele.	6	53½	54	53½	53½
125	73	9	11.7	Montreal Trams	96	83	80	77	77
17½	11	50c	3.4	Moore Corp.	400	14⅞	15	14⅞	15
120	96	7	6.1	Do. pref. (A)	14	116	118	115	116
130	109½	7	5.5	Do. pref. (B)	70	125	127	127	127
3	⅞			Muirheads	....	⅞	..	..	..
6½	5⅞	.	...	Do. pref.	40	6	5⅞	5⅞	5⅞
				N					
30⅞	23½	1.60	5.2	Nat. Breweries	3036	30⅞	30½	30	30½
38	31	1.75	4.6	Do. pref.	35	37	38	38	38
120	90½	7	5.9	Nat. Groc., pf.	50	120	120	118	120
20⅞	14½	.	...	N. Sew. Pipe A	250	19	19	19	19
18½	12½	.	...	Nat. Steel Car	365	16	16	15½	16
185	140	8	4.8	National Tr.	....	166	..	..	..
14	8	.	...	Niag. W. Weav.	....	14	..	..	..
40½	31	3	7.4	Do. pref.	35	40	40½	40½	40½
1.50	.50	.	...	North Star Oil	....	.60	..	..	..
3.00	1.00	.	...	Do. pref.	260	1.50	1.50	1.50	1.50
				O					
209	165	8	4.3	Ogilvie Flour	8	185	185	185	185
140½	125	7	5.2	Do. pref.	14	140	140	135	135
9	5½	.	...	Ont. Eq. 10% p.	55	6	7	7	7
106	102	6	5.7	Ontario Loan	....	106	..	..	..
8	2½	.	...	Ont. Silknit	3	8	8	8	8
60	31	.	...	Do. pref.	31	55	58½	58	58
10	10	.	...	Ont. Steel	....	10	..	..	..
.90	.15	.	...	Orange Crush	200	.15	.15	.15	.15
9⅞	4	.	...	Do. 1st pref.	25	5	6	5	5
1.10	.30	.	...	Do. 2nd pfd.	....	.35	..	..	..
5	5	.	...	Ottawa Car	10	5	5	5	5
92	79	6	7.5	Ott. L. H. & Pr.	....	80	..	..	..
104	90	6.50	6.3	Do. pref.	....	103	..	..	..
20	5	50c		Ott. Traction	....	15	..	..	..
				P					
77	55	3	4.2	Page Hersey	400	70	73	71	71⅞
30	24			Paton Mfg.	....	24	..	..	..
95	90	7	7.4	Do. pref.	....	95	..	..	..
63½	47	3	4.9	Penmans	50	60	61	61	61
105	90	6	5.7	Do. pref.	5	102	105	105	105
20½	14	1	5	Photo Eng.	190	20½	20	20	20
83	60	7	8.5	Porto Rico P. p.	10	83	82	82	82
15	7½			Power Corp.	732	8⅞	8½	8½	8½
85	51	6	7.6	Do. pref.	16	80	80	78	79
2	⅞	.	...	Prairie C. Oil	10	⅞	⅞	⅞	⅞
20½	10	.	...	Pressed Metals	90	11½	11	10	10½
6.00	.95	.	...	Price Bros.	3470	2.75	2.50	2.00	2.00
37½	7	.	...	Do. pref.	55	20	17	15	17
				Q					
30	15	1	6.2	Quebec Power	115	16	16	15½	16⅞
				R					
55	55	3	5.4	Real Estate L'n.	....	55	..	..	..
6½	2	.	...	Regent Knit.	....	3½	..	..	..
5	3	.	...	Reliance Grain	....	4	..	..	..
25	19	1•	4.1	River. S. Mills	235	24	24½	24½	24½
9½	5½	.	...	Rogers Majest.	7493	7½	8⅞	7	8½
80	80	6	7.5	Rolland Paper, p	....	80	..	..	..
170	129½	8	4.7	Royal Bank	409	170	170	168	168
18½	17	.	...	Russell Motor	....	18½	..	..	..
60	40	5	8.3	Do. pref.	30	55	60	60	60
				S					
3	2½		..	Sarnia Br. (A)	....	3	..	..	..
1⅞	1⅞			Do. (B)	....	1⅞	..	..	..
24½	15½	50c	3.1	Shawinigan	1832	16	16½	15⅞	16
21	12	.	...	Sher. Wms.	370	13½	14	13½	13⅞
90	56	.	...	Do. pref.	16	86½	90	89	89
10	6⅞	.	...	Simon & Son	20	8	7	7	7
100	65	.	...	Do. pref.	....	100	..	..	..
85	42½	2	...	Simpson, Ltd.	310	83½	84½	83½	84½
17	9½	.	...	Do. (A)	....	14	..	..	..
8	4			Do. (B)	....	7	..	..	..
101	80	6	6	Simpson, R., pf.	....	100	..	..	..
16	10	80c	7.4	So. Can. Pr.	55	10⅞	10⅞	10⅞	10⅞
92	72	6	6.6	Do. pref.	54	90	91	90½	91
2.50	1.00	.	...	St. Law. Corp.	600	1.35	1.40	1.35	1.35
11½	5½			Do. (A)	145	6	6	5⅞	6
45	33	2	4.8	St. Law. Flour	....	42	..	..	..
101½	96	7	6.9	Do. pref.	....	101½	..	..	..
26	10	.	...	St. Law. Pap. p	437	12⅞	12⅞	12	12½
9	4	.	...	Stand. Chem.	15	5	4	4	4
4.50	.85	.	...	St. Pav. & Mat.	105	1.25	1.10	1.00	1.00
25	10	.	...	Do. pref.	10	15	15	15	15
11½	5			Stand. Steel	....	5½	..	..	..
§30	30			Do. pref.					
41½	28	1.75	4.4	Steel of Can.	1455	40	40½	39½	40
39	31	1.75	4.5	Do. pref.	225	38	39	38	38½
3	1	.	...	Sterling Coal	....	1	..	..	..
9	4	.	...	Stop & Shop	6	4	5	5	5
‡483	483	.	...	Sun Life Assur.	....	..	..	..	..
2⅞	2			Supersilk H.	....	2½	..	..	..
65	50	3.50	6.6	Do. pref.	....	53	..	..	..
29⅞	16	1	4.3	Sup. Pete. ord.	350	25	24½	23	23
28	16½	1	3.8	Do. com.	....	26	..	..	..
114	99	7	6.2	Do. pref.	....	114	..	..	..
				T					
28	20		..	Tamblyn	....	22	..	..	..
110	98	7	6.4	Do. pref.	120	107	110	108	110
7	5½	25c	...	Thayers	10	6½	6½	6½	6½
42	18	3.50	9	Do. pref.	15	38⅞	38⅞	38⅞	38⅞
11½	3	.	...	Thrift Stores	20	4	3	3	3
25	11	1.62½	12.4	Do. pref.	25	13	13	13	13
13½	6½			Tip Top Tailors	....	7⅞	..	..	..
80½	63	7	9.7	Do. pref.	....	72	..	..	..
†22	10			Tooke Bros.	....	..	..	..	..
15	12	.	..	Do. pref.	....	12	..	..	..
34	17	1	3	Tor. Elevators	100	33	33	33	33
112	89½	7	6.4	Do. pref.	101	110	112	110	110
120	98	6	5.8	Tor. Gen. Tr.	....	102½	..	..	..
112	100	6	5.3	Toronto Mtge.	19	112	112	112	112
1.00	.10	.	...	Traymore	200	.15	.15	.15	.15
4½	1			Do. pref.	....	1	..	..	..
132½	116	7	5.3	Tuckett Tob. p.	20	131	132½	132½	132½
8½	1⅞			Twin City	....	4½	..	..	..
b39	6			Do. pref.	....	24½	..	..	..
				U					
6½	3	.	...	Union Gas	796	3⅞	3⅞	3⅞	3⅞
3.50	.75	.	...	United Distill.	300	.85	.95	.95	.95
3	3	.	..	United Fuel	....	3	..	..	..
20½	9½	.		Do. pref.	180	17	18	17	18
12½	12½	.	..	Un. Amuse. A	....	12½	..	..	..
§7½	7½			Do. (B)					
33	17	2	6.9	United Secs.	....	28	..	..	..
6½	2	.	...	United Steel	478	2½	2½	2½	2½
				V					
5	1		..	Viau Biscuit	5	1½	1½	1½	1½
23	12	.	...	Do. pref.	10	12	12	12	12
				W					
37	20	.	..	Wabasso Cot.	....	20	..	..	..
57⅞	21	.	...	Walker-Good.	6725	28½	28½	25½	25½
17½	13⅞	1	6.1	Do. pref.	2965	16½	16⅞	16½	16½
10.05	3.90		..	Walkerville Br.	1550	5.75	6.00	5.50	6.00
4.00	.85	.	...	Waterloo Mfg.	60	1.25	1.10	1.00	1.00
8½	6			West. C. Flour	260	6	6	6	6
62	48	3	5.3	Do. pref.	....	56	..	..	..
34	30	50c	...	West. Grocers	....	31	..	..	..
100	85	7	7.2	Do. pref.	....	98	..	..	..
100	100	7	7	W. Koot. Pr. pf.	....	100	..	..	..
47⅞	28	1	2.2	Weston Ltd.	685	45⅞	46	45½	45½
110	88½	7	6.5	Do. pref.	56	106	108	106	107½
5.00	.75	.	...	Whittall Can	....	2.00	..	..	..
65	35	6.50	11.6	Do. pref.	250	56	56	56	56
2½	2	.	...	Windsor Hotel	....	2½	..	..	..
18	5½	.	...	Do. pref.	....	7	..	..	..
4	1⅞	.	...	Winnipeg Elec.	215	2	2½	2	2
12	4			Do. pref.	....	10	..	..	..
24½	24	.	...	Wood, A. & J. p	5	24½	24	24	24
50	20			Woods Mfg. p.	38	42	45½	42	45½
				Z					
6½	3	.	...	Zimmerknit, c.	5	4½	4	4	4
80	50	7	8.7	Do. pref.	10	76	80	80	80

§ Quotations for 1933. No sales recorded in 1934 to date. ‡ Quotations for 1930.
x Quotations for 1932. b New York Quotations.
† Quotations for 1931.
* See "Unlisted Stocks" also.
• Plus 25c. on arrears. ▲ On account of arrears.

Active Corporation Bonds

(Furnished by Royal Securities Corp., Toronto)
December 4, 1934

Public Utility Issues:	Int. Rate	Due	Dec. 4 Bid	Asked	Nov. 27 Bid
Avalon Telephone	5½%	1948	97½	...	•97½
Beauharnois L. H. & Power	5½%	1973	100	101½	100
Beauharnois Power Corp.	6%	1959	71	...	70½
Beauharnois Power Corp.	5%	1973	56	58	55½
Bell Telephone	5%	1955	108	110	108½
Bell Telephone	5%	1957	109	111	109½
B. C. Power	5%	1960	101	102½	100½
B. C. Power	5½%	1960	105½	106½	105
B. C. Telephone	5%	1960	103½	105	103½
Calgary Power	5%	1960	99	100½	99
Calgary Power	5%	1964	97	98½	97
Canada Northern Power	5%	1953	98½	98	96½
Cedars Rapids Mfg. & Power	5%	1953	110	111½	110
Dominion Gas & Electric	6½%	1945	63	65	62
Duke-Price Power	6%	1966	98	100	94½
Gatineau Power	5%	1956	95	97	94
Gatineau Power	6%A	1941	91½	93½	90½
Gatineau Power	6%B	1941	91½	93½	90
International Hydro-Electric	6%	1944	45½	48	45½
International Power	6%	1957	87½	...	87
International Power	6½%	1957	89	...	88½
Jamaica Public Service	5%	1950	101	102½	100½
Maclaren-Quebec Power	5½%	1961	100	101½	100
Manitoba Power	5½%	1951	53	55	53
Montreal Island Power	5½%	1957	102	103½	102½
Montreal L. H. & Power	5%	1951	106	107½	106
Montreal L. H. & Power	5%	1970	106	107½	106
Montreal Public Service	5%	1942	104½	...	104½
Montreal Tramways	5%	1955	70	72½	74½
Montreal Tramways	4½%	1955	67	69½	70
Montreal Tramways	5%	1941	96	98½	90
National Light & Power	6%	1949	85½	...	85½
N. B. Power	5%	1937	71½	74½	70
Newfoundland L. & P.	6½%	1949	102	...	102
Newfoundland L. & P.	5½%	1971	99⅞	...	99⅞
Newfoundland L. & P.	7%	1949	101	...	101
Northwestern Utilities	7%	1938	103½	...	101½
N. S. Light & Power	5%	1958	98	100	98
Ottawa Light, Heat & Power	5%	1957	103½	105	104
Ottawa Valley Power	5½%	1970	105½	106½	105½
Power Corp.	4½%	1959	83½	86	81½
Provincial Light & Power	5%	1946	104½	...	104½
Quebec Power	5%	1968	100	102	101
Rio de Janeiro T. L. & Power	5%	1935	99½	101	99½
Shawinigan Water & Power	6%	1937	101	102½	101
Shawinigan Water & Power	4½%	1970	93½	95	93½
Shawinigan Water & Power	5%	1970	101½	103	101
Southern Canada Power	5%	1955	103	...	103
United Securities	5½%	1952	65	69	67
West Kootenay Power	5%	1956	105	106½	105
Western Power Co.	5%	1949	104½	...	104½
Winnipeg Electric	5%	1935	96	99	96
Winnipeg Electric	6%	1954	52	55	52
Industrial and Realty Issues:					
Abitibi Power & Paper	5%	1953	30	32	29½
Abitibi Pwr. & Paper C.O.D.'s	5%	1953	27	29	26½
Acadia Sugar	6%	1946	102½	104	103
Alberta Pacific Grain	6%	1946	87½	90	87½
Algoma Steel	5%	1962	...	17	13
American Sales Book	6%	1939	102½	...	102½
Asbestos Corp.	5%	1942	99	...	99
Atlantic Sugar	5%	1941	96	...	96
Balfour Building	6%	1934	42½	...	42½
Belding-Corticelli	5%	1936	103½	...	103½
Bloor-St. George Realty	7%	1946	48½	...	48½
Booth Buildings	6½%	1937	99	...	99
Brandram-Henderson	6%	1936	93½	...	93½
British American Oil	5%	1945	104½	105½	104
British Columbia Pulp & Paper	6%	1950	74½	...	72
Burns & Co.	5½%	1948	38	...	36
Canada Biscuit	6½%	1946	18	21	17
Canada Bread	6%	1941	101½	...	101
Canada Cement	5%	1947	99	101	99½
Canada Paper	6%	1945	94	...	94
Canada Steamship	5%	1943	92½	95	92½
Canada Steamship	6%	1941	26½	29	26½
Canadian Canners	6%	1950	105½	...	105½
Canadian Consolidated Felt	6%	1940	100	...	99½
Canadian Copper Refiners	6%	1945	105½	106½	105½
Canadian Cottons	5%	1940	102	...	102
Canadian Goodrich	7%	1943	48	...	48
Canadian International Paper	6%	1949	66½	68½	66½
C. P. R.	6%	1942	106½	108½	106
C. P. R.	4½%	1944	93½	95	93½
C. P. R.	5%	1954	99	100	98½
C. P. R.	4%	1949	91½	93	91½
Canadian Rail & H. Terminals	6½%	1951	19½	22½	20
Canadian Vickers	6%	1947	...	59	59
Consolidated Investment	4½%	1959	78½	...	78
Consolidated Paper	5½%	1961	15½	18	15½
Cosmos Imperial Mills	6½%	1944	102½	...	102½
Debenture & Security	4%	1936	76½	...	76
Dominion Canners	5%	1940	107	...	107
Dominion Coal	5%	1940	102	...	101½
Dominion Square Corp.	5%	1948	50	...	50
Dominion Tar	6%	1949	92½	95	92½
Dominion Textile	6%	1949	105	106	105½
Dominion Woollens (with stock)	6%	1948	...	23	...
Donnacona Paper	5½%	1948	44	...	37
Eastern Dairies	6%	1949	71½	...	71
Eaton T. Realty	5%	1949	101	102	101
Famous Players	6%	1948	98	100	97½
Famous Players	6½%	1948	89	...	87
Federal Grain	6%	1949	91	94	91
Firestone Tire	7%	1937	100	...	100
Fraser Companies	6%	1950	42	...	37
Galt Brass	7½%	1941	40	...	38
General Steel Wares	6%	1952	89	91	88½
Godfrey Realty	6%	1942	44	...	44
Great Lakes Paper	6%	1950	28½	30½	28
Great Britain and Cda. Invest.	4½%	1959	64½	67½	...
Gypsum, Lime & Alabastine	5½%	1948	83	85	81½
Hamilton Cottons	5½%	1948	94½	...	94
Hamilton By-Products Coke	7%	1943	100½	103½	100½
Hinde & Dauch	5½%	1948	94½	...	94
International P. & P. Nfld.	5%	1968	98	100	98½
Inter City Baking	5½%	1948	90	...	90
London Can. Invest.	4½%	1948	75½	...	75½
London Realty	6%	1950	80½	83½	82
Maple Leaf Milling	5½%	1949	...	48	46
Massey-Harris	5%	1947	80	83	75½
McColl-Frontenac	6%	1949	103½	104½	104
McKinnon Industries	6½%	1945	103½	...	103½
Metropolitan Building	7%	1944	100	...	100
Minnesota & Ontario Paper	6%	1945	15	17½	15
Montreal Coke	5½%	1947	102	104½	102½
Montreal Cottons	5%	1947	98	...	98
National Grocer	6%	1948	104	105½	...
Northern Electric	5%	1939	104½	...	104½
Northern Ontario Building	6½%	1939	98½	100½	98½
Ontario Building	6½%	1943	38½	41	40
Penmans	5½%	1951	109	110½	108½
Price Bros. (Co'D.)	6%	1943	84½	87½	87
Provincial Paper	5½%	1947	100	101½	100
Queen's Hotel	6%	1947	72	75	72
Reliance Grain	6%	1948	95½	...	93½
Restigouche Co.	5½%	1948	86½	...	82
Richmond Bay Building	6½%	1947	94	97	93½
Riordon Pulp & Paper	6%	1942	103½	...	103½
Ritchie Cut Stone	6½%	1948	76	...	74
Rolland Paper	5½%	1948	100	102	100
Ruddy & Co., E. L.	6½%	1948	77½	...	76
St. Lawrence Flour	6%	1941	103½	...	102
Simpsons Ltd.	6%	1949	100½	102	101
Smith, Howard	5½%	1953	99	100½	99
Steel Co. of Canada	6%	1940	109½	...	109½
Stop & Shop	6%	1947	87½	90½	88½
Toronto Carpet	6%	1944	99½	...	99½
United Amusement	6%	1942	92½	...	92
United Corpns.	5%	1953	81½	...	80
United Gas & Fuel	5½%	1948	...	...	89
United Grain Growers	5%	1948	93	...	91½
United Grain Growers	5½%	1949	97	...	...
Wabasso Cotton	6%	1947	101	...	101
Wabasso Cotton	7%	1942	102	...	102
Woods Mfg.	6%	1943	91	...	91
Zimmerknit Co.	6%	1951	97	...	...

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., Toronto
December 5, 1934

Dominion of Canada Bonds

			—Dec. 5— Bid	Asked	Approx. Yield	Bid Nov.28
Dominion	2	15 Oct. 1936	99.25	99.75	2.14	99.00
Dominion	2½	15 Oct. 1939	99.25	99.75	2.55	99.00
Dominion	3	15 Oct. 1942	100.25	100.75	2.89	99.65
Dominion	3½	15 Oct. 1935	100.85	101.35	2.00	100.85
§Dominion	3½	15 Oct. '44-49	100.15	100.65	3.44	99.55
Dominion	4	15 Oct. 1935	101.30	101.80	2.01	101.25
Dominion	4	15 Oct. 1939	105.00	105.50	2.80	104.75
§Dominion	4	15 Oct. '43-45	105.00	105.50	3.28	104.40
§Dominion	4	15 Oct. '47-52	104.35	104.85	3.53	103.63
Dominion	4½	1 Sept. 1940	108.50	109.00	2.80	107.85
Dominion	4½	15 Oct. 1944	108.75	109.25	3.39	108.00
Dominion	4½	1 Feb. 1946	108.75	109.25	3.50	107.85
§Dominion	4½	1 Nov. '46-56	108.50	109.00	3.57	107.50
§Dominion	4½	1 Nov. '47-57	108.50	109.00	3.62	107.50
§Dominion	4½	1 Nov. '48-58	108.90	109.40	3.64	107.85
§Dominion	4½	1 Nov. '49-59	109.00	109.50	3.67	108.00
Dominion	5	15 Nov. 1936	105.00	105.50	2.05	104.65
*†Dominion	5	1 Mar. 1937	106.65	107.15	1.75	106.15
Dominion	5	15 Nov. 1941	111.00	111.50	3.15	109.85
Dominion	5	15 Oct. 1943	112.00	112.50	3.36	111.00
†Dominion	5½	1 Dec. 1937	109.75	110.25	1.96	108.85

Dominion Guaranteed Bonds

			Bid	Asked	Approx. Yield	Bid Nov.28
xGr. Tr. Pac.	3	1 Jan. 1962	96.00	97.00	3.16	95.50
xCan. N. Ry.	4½	1 Sept. 1951	110.75	111.50	3.58	109.75
*Can. N. Ry.	4½	15 Sept. 1954	103.50	104.25	4.18	103.25
xCan. N. Ry.	4½	1 Feb. 1956	111.00	111.75	3.69	110.00
*Can. N. Ry.	4½	1 July 1957	109.75	110.50	3.80	106.50
xCan. N. Ry.	4½	1 Dec. 1968	105.50	106.25	4.15	105.25
xCan. N. Ry.	4¾	15 June 1955	114.00	114.75	3.72	113.25
Can. N. Ry.	5	1 Feb. 1954	114.00	114.75	3.90	113.50
§xCan. N. Ry.	5	1 July 1969	114.00	114.75	3.61	113.25
§xCan. N. Ry.	5	1 Oct. 1969	116.00	116.75	3.77	115.25
§xM. Harb. C.	5	1 Nov. 1969	116.25	117.00	3.76	115.50

Provincial Government Bonds

			Bid	Asked	Approx. Yield	Bid Nov.28
Eastern—						
*N. Bruns.	4½	15 Apr. 1961	106.00	106.75	4.07	105.50
*N. Bruns.	5	15 Jan. 1960	111.50	112.00	4.21	111.25
N. Bruns.	5½	15 May 1950	114.00	114.75	4.20	113.80
N. Scotia	4½	15 May 1943	105.00	105.75	3.72	104.75
*§N. Scotia	4½	15 Sept. '47-52	107.00	107.50	3.78	106.50
N. Scotia	4½	15 May 1961	108.75	109.50	3.89	108.50
*N. Scotia	5	1 Mar. 1960	114.50	115.00	4.05	113.75
xOntario	4	1 June 1962	103.50	104.50	3.73	102.75
xOntario	4½	1 Sept. 1944	108.50	109.50	3.33	107.75
Ontario	4½	1 June 1950	107.50	108.50	3.77	107.25
xOntario	4½	15 Jan. 1962	109.50	111.00	3.85	109.50
Ontario	5	15 Oct. 1948	111.50	112.25	3.86	111.25
xOntario	5	2 Dec. 1960	117.00	118.00	3.89	116.50
Ontario	5½	1 July 1946	114.25	115.00	3.88	113.75
§O. H. C.	3½-4-5	1 Oct. 1952	99.25	100.00	3.50	99.00
xOnt. H. C.	4	1 Aug. 1957	103.25	104.25	3.72	102.75
Ont. H. C.	4¾	1 Jan. 1970	111.00	111.75	4.11	110.75
Quebec	4	15 Mar. 1952	103.50	104.00	3.68	103.25
Quebec	4½	1 Aug. 1958	106.50	107.25	3.77	106.50
Quebec	4½	2 Jan. 1963	110.50	111.00	3.85	110.00
Western—						
*Alberta	4	1 Dec. 1957	93.00	94.00	4.42	92.25
*Alberta	4½	1 Oct. 1956	97.00	97.75	4.67	97.00
*Alberta	5	1 Jan. 1948	101.00	101.75	4.82	101.25
Alberta	5	1 Sept. 1955	101.00	101.75	4.87	101.25
xAlberta	5	1 Oct. 1959	104.25	105.25	4.64	104.50
*Alberta	5½	1 Jan. 1947	104.75	105.75	4.90	104.50
Alberta	6	1 Mar. 1947	108.00	109.00	5.02	108.00
*Brit. Col.	4	1 Dec. 1957	90.50	91.50	4.60	90.00
xBrit. Col.	4½	15 Jan. 1951	98.00	99.50	4.54	98.50
*Brit. Col.	4½	1 Oct. 1953	94.75	95.75	4.84	94.75
*Brit. Col.	5	15 Jan. 1948	99.00	100.00	5.00	98.50
Brit. Col.	5	1 Sept. 1953	99.00	100.00	5.00	98.50

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)
December 4, 1934

Industrial Stocks:	Bid	Asked
Acadia Sugar com.	2.75	2.90
Acadia Sugar pfd.	4.65	4.90
Adirondack St. F. com.	....	1.00
Allens College pf.	47.00	....
Allens London pfd. bonus com.	....	55.00
Allens St. Cath. pfd. bonus com.	37.50	....
Allens Toronto pfd. bonus com.	20.00	....
Acme F. Dairy pf.	14.00	....
Andian Nat. (Can. Funds)	38.00	39.00
Atlantic Sugar pf.	93.50	94.00
B. C. P. & P. pfd.	6.50	10.00
Burns & Co. B	1.25	1.75
Can. Dom. Sugar	54.00	55.00
Can. Mach. com.	1.40	2.00
Can. Packers com.	46.25	47.00
Can. Packers pf.	109.00	110.50
Can. Starch com.	11.00	....
Can. Starch pfd.	85.50	....
Canada Tea pfd.	45.00	55.00
Can. W. & Cable pfd. WW	58.50	60.00
Can. Indust. A	181.00	....
Can. Indust. B	181.00	183.00
Can. Indust. pfd.	143.25	144.00
Can. Westing.	45.75	46.50
Chase pfd. bon. c.	24.75	26.50
Dom. F. & St. com.	7.00	8.00
Dom. F. & St. pfd.	69.00	72.50
Dom. Manuf. pfd.	70.00	....
Dom. Woollens c.	.50	1.00
Dunlop Tire pfd.	68.00	70.00
East. Dairies pfd.	6.00	9.00
Fed. Grain com.	1.50	2.75
Fed. Grain pfd.	31.00	32.00
For. Power Sec. p.	5.00	7.00
Goderich Elevator	7.25	7.75
Greening Wire pf.	73.00	75.00
Guardian Rlty pfd.	10.50	....
Guelph Carpet pf.	90.00	93.50
Guelph Carpet c.	13.25	14.00
Harding Carpets c.	1.80	3.00
Hayes Wheels pfd.	....	9.00
Highland Dairy c.	3.75	4.25
Highland Dairy p.	69.00	71.00
Ind. Accept. A	4.00	4.75
Inter City Bak. c.	17.00	18.25
Inter. Paints pfd.	14.50	16.00
Loew's London pf.	3.80	4.15
Mansf. Theat pfd.	27.50	30.00
Massey-Harris pfd.	19.00	19.50
Mercury Mills pfd.	8.00	9.00
Morrow Screw pf.	89.50	....
Nat. Grocers com.	5.00	5.10
Nat. Grocers pf.	118.00	120.00
New Meth. Laund. pfd.	49.00	....
Niag. Wire Weav. pfd.	40.00	....
Para. Oshawa pfd.	47.50	52.00
Perf. Pet. pfd.	20.50	....
Prov. Paper pfd.	92.50	93.50
Rel. Grain pfd.	62.00	65.00
Rob. Cons. Cone	8.25	9.15
Rolland Paper c.	9.00	10.00
Ruddy pfd.	10.00	....
St. Fuel pfd. bon.	98.50	....
Super. Pet. B pfd.	24.50	25.50
United Grain	11.25	....
West. Grain pfd. bonus	7.25	8.00
Insurance Stocks:		
British America	32.00	....
Canada Life	446.00	....
Canadian Fire	65.50	....
Can. Ins. Shs. com.	8.00	....
Confed. Life 20% pd.	....	127.00
Cont. Life 20% pd.	37.00	40.00
Crown Life	105.00%	....
Dom. Fire	96.00	....
Dom. Life 50% pd.	185.00	....
Insurance Stocks: (Continued)		
Dom. of Can. Gen. Ins.	99.00	102.00
Empire Life 25% pd.	9.00	9.75
Excel. Life 30% pd.	70.00	75.00
Federal Fire 25% pd.	33.00	36.00
Gr. West. Life	405.00	415.00
Guar. of N. A. fully pd.	220.00	....
Guar. of N. A. 20% pd.	41.00	....
Imperial Life	291.00	....
Manuf. Life	241.00	250.00
Monarch Life 10% pd.	18.50	21.00
Nat. Life 25% pd.	....	88.00
Sov. Life 25% pd.	12.25	15.00
Sun Life	330.00	350.00
Tor. Gen. Ins.	3.25	4.25
West. Assur. com.	33.00	35.50
West. Assur. pfd.	36.00	42.00
West. Empire Life	8.25	12.00
Western Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Chartered Trust	69.00	....
Comm. Fin. new c.	2.00	....
Guelph & Ontario Inv.	43.00	....
London & Western Trust	30.00	....
Security Loan	98.50	102.00
Sterling Trust	....	39.00
Traders Fin. pfd.	47.00	50.50
Trusts & Guar.	34.00	36.00
Victoria Trust	120.00	125.00
Waterloo Trust	79.00	83.00
Sherbrooke Trust	110.00	....
Investment Trust Shares:		
Can. Gen. Invest.	5.90	6.10
Can. Investors	4.25	5.00
Can. Int. Inv. Tr. Units	19.50	21.50
Can. Inv. Fund	3.15	3.45
Cons. Div. St. Sec. Units	10.50	11.50
Deb. & Sec. pfd.	22.50	....
Dom. Anglo Inv. Units	171.00	....
Dom. Scott. Inv. Units	21.50	23.00
Invest. Foundation Units	40.50	42.00
Sec. Holding Units	10.00	11.25
United Corpns. A	12.60	13.00
United Corpns. B	3.35	3.75
Power Issues:		
Calgary Power pf.	92.25	93.00
Can. L. & P. com.	20.00	22.00
Can. W. N. G. LH&P pfd.	93.75	94.50
Gr. Lakes Pwr. pf.	40.50	45.00
Maclaren P. & P. com.	15.50	17.00
Marit. T. & T. pf.	13.50	14.50
N. B. Tele. com.	9.75	10.60
N. S. L&P com.	41.00	44.00
N. S. L&P pfd.	91.50	92.50

Recent London Quotations:

Brit. Col. Tele., pfd.	$105
Brew. & Distillers	3s.
Canada Company	7s. 6d.
Can. & For. Secs.	3s. 6d.
Can. Collier, $1 com.	3d.
Do., pref. $10	3d.
Can. N. W. Land	25s.
Can. West. Lumber	1s. 6d.
Hudson's Bay	25s.
Do., pref.	105s.
Imp. Tob. (Canada) 6% pfd.	27s. 6d.
Third Can. Gen. Inv.	6s.

Dividends Declared

	Present Annual rate	Amt. this pay'mt	Date payable	Date of record
Acme Glove, pref.	6½%	1⅝%	Dec. 15	Nov. 30
Agnew Surpass, pref.	7%	1¾%	Jan. 2	Dec. 15
Associated Breweries	...	25c	Dec. 31	Dec. 15
Do., pref.	$7	$1.75	Jan. 1	Dec. 15
Bell Telephone	$6	$1.50	Jan. 15	Dec. 22
Brazilian Traction, pfd.	$6	$1.50	Jan. 2	Dec. 15
B. C. Power (A)	$1.50	37c	Jan. 15	Dec. 31
Biltmore Hats, pref.	7%	1¾%	Dec. 15	Nov. 15
Bruck Silk Mills	$1	25c	Jan. 15	Dec. 15
Do., extra		5c	Jan. 15	Dec. 15
Bank of Nova Scotia	$12	$3	Jan. 2	Dec. 15
Belding-Corticelli, pref.	7%	1¾%	Dec. 15	Nov. 30
Bulolo Gold Dredging		*90c	Dec. 29	Dec. 3
Bright, T. G.	30c	7½c	Dec. 15	Nov. 30
Do., pref.	6%	1½%	Dec. 15	Nov. 30
Bralorne Mines	60c	15c	Jan. 15	Dec. 31
Bralorne Mines, extra		20c	Dec. 17	Nov. 30
Canadian Oil, pfd.	$8	$2	Jan. 1	Dec. 20
Can. Cottons	$4	$1	Jan. 2	Dec. 14
Do., pref.	$6	$1.50	Jan. 2	Dec. 14
Consolidated Bakeries		20c	Jan. 2	Dec. 15
Can. Foreign Inv., pref.	$8	$2	Jan. 1	Dec. 15
Can. Celanese, pref.	$7	$1.75	Dec. 31	Dec. 14
Canada Malting	$1.50	37½c	Dec. 15	Nov. 30
Can. Permanent Mtge.	$8	$2	Jan. 2	Dec. 15
Can. Foreign Invest., com.	$1	25c	Jan. 1	Dec. 15
Do., extra		25c	Jan. 1	Dec. 15
Can. Northern Power	$1	25c	Jan. 15	Dec. 31
Do., pref.	$7	$1.75	Jan. 15	Dec. 31
Can. Gen. Electric	$3	75c	Jan. 1	Dec. 15
Do., pref.	$3.50	87½c	Jan. 1	Dec. 15
Can. West. Nat. Gas, pfd.	$6	$1.50	Dec. 1	Nov. 15
Can. Wirebound Box "A"	$1+25c		Jan. 2	Dec. 15
Consumers' Gas	$10	$2.50	Jan. 2	Dec. 15
Dome Mines	$2	50c	Jan. 21	Dec. 31
Dominion Glass	$5	$1.25	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Dominion Stores	$1.20	30c	Jan. 2	Dec. 13
Dominion Bank	$10	$2.50	Jan. 2	Dec. 20
Dominion Textile	$5	$1.25	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 15	Dec. 31
Dom. Scottish Invest. pfd.	$1	25c	Dec. 1	Nov. 20
Eastern Steel Prod. pfd.	$7	$1.75	Jan. 2	Dec. 15
Empire Natural Gas	—	‡1c	Jan. 2	Dec. 20
Falconbridge Nickel		7½c	Dec. 20	Dec. 1[illegible]
Ford Motor A & B		75c	Dec. 17	Nov. 30
Fanny Farmer Candy (new)		•6¼c	Dec. 31	Dec. 15
Do., extra		6¼c	Dec. 31	Dec. 15
Imperial Tobacco, c	35c	8¾c	Dec. 31	Dec. 1[illegible]
International Nickel, pfd.	7%	1¾%	Feb. 1	Jan. [illegible]
International Nickel, c.		15c	Dec. 31	Dec. [illegible]
International Mining		•15c	Dec. 20	Dec. [illegible]
Lake Shore Mines	$2	50c	Dec. 15	Dec. [illegible]
Do., extra		50c	Dec. 15	Dec. [illegible]
Loew's London Theat., pfd.	7%	3½%	Dec. 10	Nov. [illegible]
Mitchell, J. S., pref.	$7	$1.75	Jan. 2	Dec. [illegible]
Monarch Knitting, pref.		†$1	Jan. 2	Dec. [illegible]
Montreal Loan & Mtge.	$2.50	62½c	Dec. 15	Nov. [illegible]
Melchers Distilleries A		†50c	Dec. 15	Dec. [illegible]
Montreal Cottons, pref.	$7	$1.75	Dec. 15	Nov. [illegible]
McIntyre-Porcupine Mines	$2	50c	Dec. 1	Nov. [illegible]
McColl-Frontenac, c.	80c	20c	Dec. 15	Nov. [illegible]
Noranda Mines		‡$1	Dec. 20	Nov. [illegible]
Northern Canada Mining		‡2c	Jan. 2	Dec. [illegible]
National Breweries	$1.60	40c	Jan. 2	Dec. [illegible]
Do., pref.	$1.75	43c	Jan. 2	Dec. [illegible]
North Amer. Elevator pfd.	$7	$1.75	Dec. 1	Nov. [illegible]
Northern Ont. Power	$2	50c	Jan. 25	Dec. [illegible]
Do., pref.	$6	$1.50	Jan. 25	Dec. [illegible]
Page-Hersey Tubes	$3	75c	Jan. 2	Dec. [illegible]
Do., pref.	7%	1¾%	Jan. 2	Dec. [illegible]
Pioneer Gold (B.C.)	80c	20c	Jan. 2	Dec. [illegible]
Premier Gold Mines	12c	3c	Jan. 15	Dec. [illegible]
Reno Gold		•3c	Jan. 3	Nov. [illegible]
Reliance Grain, pref.	6½%	1⅝%	Dec. 15	Nov. [illegible]
Standard Fuel, pfd.	6½%	1⅝%	Jan. 1	Dec. [illegible]
Southern Can. Power, pfd.	$6	$1.50	Jan. 15	Dec. [illegible]
Siscoe Gold Mines	12c	3c	Dec. 31	Dec. [illegible]
Do., bonus		2c	Dec. 31	Dec. [illegible]
Sylvanite Gold	20c	5c	Dec. 31	Nov. [illegible]
South Amer. Gold & Plat.		10c	Dec. 31	Dec. [illegible]
Thrift Stores, 1st pref.	$1.62½	40⅝c	Jan. 1	Dec. [illegible]
Do., 2nd pref.	70c	17½c	Jan. 1	Dec. [illegible]
Teck-Hughes	40c	10c	Jan. 2	Dec. [illegible]
Thayers, pref.	$3.50	$1.75	Jan. 2	Dec. [illegible]
West. Can. Flour, pref.	$3	75c	Dec. 15	Nov. [illegible]
Western Grocers, pref.	7%	1¾%	Jan. 15	Dec. [illegible]
Do., com.		50c	Jan. 15	Dec. [illegible]
H. Walker-G. & W., pref.	$1	25c	Dec. 15	Nov. [illegible]
Wright-Hargreaves	40c	10c	Jan. 2	Dec. [illegible]
Do., extra		5c	Jan. 2	Dec. [illegible]

* For the year ending May 31, 1935.
•Initial.
‡Interim.
†On arrears.

Dividends Resumed—
Melchers Distilleries, Class A 50c. on arrears Dec. 15; last payment, 50c., Sept. 15, 1930.

Dividends Passed—
Thrift Stores, com., Jan. 2, 1935, last paid 10c. Oct. 1, 1934.

Dominion and Provincial Bonds (Cont'd)

			—Dec. 5— Bid	Asked	Approx Yield	Bid Nov.28
Brit. Col.	5½	1 Feb. 1945	101.50	102.50	2.19	[illegible]
Brit. Col.	6	15 Feb. 1947	104.00	105.00	5.44	[illegible]
*Manitoba	4	1 Dec. 1957	93.75	94.75	4.36	[illegible]
*Manitoba	4½	15 Dec. 1956	97.50	98.50	4.61	[illegible]
*Manitoba	5	15 June 1954	103.50	104.50	4.65	[illegible]
xManitoba	5	2 Dec. 1959	105.00	107.00	4.53	[illegible]
Manitoba	5½	1 Oct. 1955	106.00	107.00	4.97	[illegible]
Manitoba	6	1 Apr. 1947	108.00	109.00	5.02	[illegible]
Sask.	4	15 Aug. 1958	85.50	86.50	5.12	[illegible]
xSask.	4½	2 July 1945	97.00	98.00	4.73	[illegible]
*Sask.	4½	1 Oct. 1951	91.75	92.75	5.13	[illegible]
Sask.	5	1 Aug. 1958	95.25	96.25	5.28	[illegible]
*Sask.	5½	15 Nov. 1946	101.00	102.00	5.27	[illegible]
Sask.	6	15 Mar. 1952	103.00	100.00	5.55	[illegible]
Municipal Bonds						
*Calgary	5½	2 June 1944	80	90	6.95	[illegible]
*Edmonton	5	1 Nov. 1945	90	95	6.26	[illegible]
*Halifax	5	1 July 1961	109	110½	4.34	[illegible]
Hamilton	5	1 May 1950	110	111	4.04	[illegible]
Montreal	5	1 Mar. 1945	101	102½	4.70	[illegible]
Ottawa	4½	1 July 1945	103	105	3.92	[illegible]
*Quebec	5	1 June 1959	101	103½	4.75	[illegible]
Regina	5	1 July 1944	81	83	6.73	[illegible]
St. John	5	15 Dec. 1950	105½	108	4.31	[illegible]
*Toronto	4½	1 Jan. 1955	107	109	3.86	[illegible]
Vancouver	5	1 June 1969	93	95	5.32	[illegible]
Victoria	5	21 July 1945	90	95	5.62	[illegible]
Winnipeg	5	1 Mar. 1944	97	100	5.00	[illegible]

† Tax exempt issues. * Payable in Canada and New York.
§ Yield at call price.
x Payable in Canada, New York and London.
‡ Payable in London. ° Payable in Canada and London.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Saskatchewan Creameries

Is there any possibility of anything being realized on the preferred shares of Saskatchewan Co-operative Creameries?

The Saskatchewan Co-operative Creameries Ltd. has been operated by a receiver for about three years. When this step was taken, it was agreed first to pay off debts due to the Saskatchewan government, secondly to settle with the bondholders and thirdly to settle with the preferred shareholders. The company, which is one of the largest manufacturers of butter in Canada and also does a considerable business in ice cream and whole milk, is understood to be doing better just now and making a little money. However, indebtedness to the government has not been fully paid off and interest on the bonds, of which $232,000 were outstanding at the time the receiver took over, is still two or three years in arrears, though the holders have got some payment since the receiver took it over. With a moderate improvement in present business, it is believed that eventually there may be something for the preferred shareholders but full settlement must be made with the government and also with the bondholders before anything will be left for the other security holders.

Beauharnois Power

Will you be good enough to let me have an opinion on the Beauharnois Power Corp. bonds? I understand that interest payment on this security will not commence until some time in 1938.

Under the terms of the financial reorganization of Beauharnois Power Corp., this company has deferred interest on its collateral trust bonds until April, 1938. By that time it is confidently expected that the income from the increased deliveries of power to the Ontario Hydro and to Montreal Power will be sufficient to take care of the obligation in respect to this issue. Meanwhile the issue is selling at a discount because of the lack of interest payments. As the time for payment draws near, this condition may change. The position of the company is now satisfactorily established in so far as finances and operations are concerned.

Langley's Preferred

Among several investments of a moderately speculative nature I have been considering Langley's Preferred. What is the company's present position?

There has been a decided improvement in the earnings of Langley's Ltd., during the current year. A report of operations covering the first 24 weeks to June 16, 1934, showed net earnings of approximately $28,500, or a little more than twice the amount reported for the same period in 1933. After depreciation, preferred dividends of $9,900 were almost earned compared with a deficit of approximately $9,000 for the same period in the previous year.

With current assets exceeding current liabilities by approximately $125,000 the company is in a considerably stronger liquid position than a year ago. Three dividends of $1.75 each have been paid on the company's preferred stock this year, these being the first such disbursements since 1932. It is understood that the improvement in the company's business which was noted early in the current year is continuing and generally speaking the cutthroat competition which featured the cleaning and dyeing industry in the Toronto area, where the company operates, does not seem to be nearly as severe as was the case a couple of years ago.

The company, which has no funded debt, operates a modern plant in Toronto with branches at Hamilton and Kitchener, Ontario. There has been very considerable fluctuation in the price of the preferred stock this year, a low of $25 being reached last January with a high of over $60 in the spring while current quotations are around $50 per share.

Canadian Car

Please let me have a report on the current position of Canadian Car and Foundry Co. I understand that this company is likely to receive some orders from the railway companies but am unable to get anything definite on this point. When will the company resume payment of dividends?

During the last two or three years Canadian Car and Foundry Co. has received little or no business from the railway companies. There has been a considerable amount of talk recently, that the transportation companies would be again in the market for equipment, but to date orders have not materialized. It is also suggested that the Dominion Government may advance money to either the Canadian National or the Canadian Pacific Railway to buy new cars but it is unlikely that such a step will be taken until after the New Year and maybe not then. Until such time as the railways reenter the market for equipment, earnings of Canadian Car will not be sufficient to pay a dividend on either the preferred or common stocks. During more normal years, however, the company has demonstrated its ability to report large profits.

Dosco

I am the holder of some common shares of Dominion Steel and Coal Co., and would like to know what progress is being made by the company.

Dominion Steel and Coal Co.'s operations this year have been on a better basis than last year. Much of the business in the iron and steel division, however, has not been profitable. The management secured a substantial order for steel rails from the Canadian National Railways which was given to them on account of unemployment relief. The company's principal subsidiary, Dominion Coal Co., has had an exceptionally good year and expectations are that the report for 1934 will show earnings on a larger basis than reported for many years past. From an operating point of view the position of the company has improved over the last twelve months but the position of the common stock of Dosco is still uncertain. The company has asked the debenture holders for certain concessions so that it may be in a better position to take care of its indebtedness to the banks. These concessions were granted by the debenture holders.

Canada Cement

I should appreciate an opinion from you on Canada Cement. I am a holder of a $500 bond and am wondering whether or not there is a possibility of default in interest payments in view of the decreased earnings.

There is no official or other information to indicate that Canada Cement Co. will default on its bonds. You will recall that in the 1933 fiscal year the company covered its interest requirements with a small balance left over for depreciation. The report for the year ended November 30, 1934, will not be available until toward the end of next month. It is anticipated, however, that this statement will show a slight improvement in the earning power of the company; in other words, the bond interest will be earned with a slightly larger amount for depreciation than was the case last year.

The outlook for Canada Cement Co. is similar to that for other companies in the durable goods industry. The undertaking of the Federal Government's building programme should be helpful to the company. It is hardly to be expected that the demand for cement will be any less in 1935 and given a modest improvement in consumption, Canada Cement is in a position to quickly reestablish a more normal earning power.

Mount Royal Hotel

Will you kindly give me your opinion on Mount Royal Hotel securities? They have nearly reached the vanishing point. Any chance for recovery?

Mount Royal Hotel Co.'s earnings position has not shown any marked change in the past year. The volume of tourist traffic and transit trade has only been fair in the past summer. Every effort is being made by the present management to put the company on a sounder footing, but the enterprise is greatly handicapped by heavy uncontrollable charges which make it difficult for the company to show anything in the way of substantial net earnings. The outlook for this company is indefinite. Some plan or other will likely be evolved to place the company on a better footing, but meanwhile the security holders can expect little from their investment.

Donnacona Paper

Could you give me any information on the Donnacona Paper Co.? I have a bond, and they have paid no interest since 1932. Have they gone out of existence?

Donnacona Paper Co. is still in existence. About the middle of 1932 the company's affairs became so involved that it was considered necessary to carry out a reorganization plan. This plan covered the cancellation of interest payments from August 1, 1932, to February 1, 1934; the conversion of the company's obligation to pay interest due August 1, 1934 to February 1, 1936 into an obligation to pay such interest only out of net income earned after February 1, 1934, such interest to be cumulative and bearing interest at 5½ per cent per annum; the cancellation of sinking fund installments from February 1, 1932 to 1935, and modification of the trust deed so that should the company fail to pay sinking fund installments due from 1936 to 1938, such failure shall not constitute default. In return for these concessions the bondholders were given 121,804 Class A shares, at the rate of 18½ shares for each $1,000 principal amount of bonds. Further the bondholders are given the right to elect a board of directors until such time as the company has fulfilled certain of its obligations as set forth in the reorganization plan.

Since the reorganization, the financial position of the company has undergone an improvement, an adverse working capital of $701,129 in 1931 being changed to a favorable working capital of $543,603 in 1933.

If you have not already sent in your bond for cancellation of interest coupons and received the new Class A stock, we would suggest that you forward your security by registered mail to the Secretary of the company.

Canada Dairies

We should be glad if you could let us know if there is any value to Canada Dairies common and preferred stock, and if there is any market for the same?

At the moment there is no market reported for Canada Dairies common or preferred stock and it is considered of little value. Holders of Canada Dairies preferred stock, about $300,000 of which had been floated publicly, were offered an exchange of Dairy Corporation common on a share for share basis at the time Dairy Corporation took over Canada Dairies in 1931. Dairy Corporation now holds $345,000 of the $410,000 preferred shares of Canada Dairies outstanding and 45,541 of the 50,000 common shares outstanding.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Bobjo Mines

Do you know of any failure at the properties controlled by Bobjo Mines, which might account for the fall in this company's stock?

The stock of Bobjo Mines would appear to be affected chiefly by the generally depressed condition of the market at the present time and we know of no setback on the company's main holdings which would supply any other adequate grounds for this recession.

Manitoba and Eastern, which is controlled by Bobjo, is reported to be getting good ore reserves, but the management has stated that they wish to accumulate more evidence before making any definite forecast. On the company's Atlin-Ruffner Mine work of rehabilitating this old property is being continued. Bobjo Mines is a well-managed company and the date of the last report had a working capital of $136,032.

Marbuan Gold Mines

What is your opinion of Marbuan Gold Mines as a long-term investment?

Marbuan Gold Mines is a small producer operating the property formerly owned by the March Gold Mines in the Porcupine area of Ontario. Present indications are that this company will never be anything more than a small producer, about 150 tons of ore being handled daily at the present time. While this property has in the past produced gold on a small scale, the company has issued no estimates of ore reserves, and accordingly the life of the mine is only speculative. The company is operated by a group of Buffalo men. The balance sheet as at June 30, 1934, shows current assets of $28,642 as compared with current liabilities of $63,416. Included on the current liabilities is a mortgage of $28,000 held by the Buffalo Ankerite Gold Mines. Since this balance sheet was drawn up a payment of $3,000 has been made on the mortgage.

Cons. Mining & Smelting

What is the present position and future outlook for Consolidated Mining & Smelting Co.?

Consolidated Mining & Smelting Co. has holdings across Canada, the company's Sullivan Mine being one of the world's largest producers of lead and zinc, and is Canada's largest silver producer. Its principal revenue in the past has been derived from these metals. With the stimulus in gold mining, however, the company entered this field in an aggressive manner and holds interesting prospects in nearly all the outstanding mineral areas. It also operates a large smelter near Trail, B.C. Last year, the company paid a dividend of 1.50 per share and for the first six months of this year declared a dividend equal to $1 per share. The company is fortunate in its management and will be in a fortunate position if at any time in the future base metal prices should rise.

Stadacona-Rouyn

Please give me your valued opinion as to the outlook for Stadacona Rouyn. Is this a sound promotion?

Stadacona-Rouyn Mines, whose stock has been under severe pressure of late, is financing and developing a gold prospect in northwestern Quebec. The company has had some good drill results but doubt has been expressed in some quarters as to the financial position of the company. A stock selling campaign in England by the English agents of this company was recently roundly scored by English financial newspapers. The company claims, however, that it has no connection or control over the action of the English promoters. The company claims to have sufficient ore reserves to warrant the immediate erection of a 300-ton capacity mill and plans to go ahead with its erection.

Quebec Has Firm Control Over Municipal Finance

Department of Municipal Affairs and Municipal Commission Keep Rigid Check on Civic Affairs

Administration and supervision of municipal affairs in the province of Quebec is under the control of the Department of Municipal Affairs, and the Quebec Municipal Commission.

The function of the Department of Municipal Affairs is to keep in touch with the affairs of school and municipal corporations in the province through its bureau of examining auditors. The duty of these auditors is to ascertain that the books and records of municipal corporations are kept correctly and according to law; that public funds are administered according to law; that laws respecting revenues and expenses of municipal bodies are observed and to try to organize a uniform system of municipal accounts.

Municipal Commission

The Quebec Municipal Commission was organized in 1932, and since that time has ruled the affairs of many Quebec municipalities with an iron hand.

The present president of the Commission is L. E. Potvin of Montreal and J. A. Towner is his assistant. Mr. Towner was formerly chief auditor of the Commission. Oscar M. Morin was the original president, with Mr. Potvin as assistant. He resigned this year and Mr. Potvin succeeded to the presidency.

Duties of Commission

The Municipal Commission has the following duties:

1. To pass on and approve all municipal debenture borrowings.
2. To pass on and approve all municipal loans for current purposes.
3. To approve the appointment of municipal auditors.
4. To take control of the affairs of municipalities that default. This is done through "delegates" who are the local supervisors and who report directly to the Commission, and who are vested with broad powers, subject only to the Commission's supervision.
5. To work out schemes of reorganization for defaulting municipalities which become effective with the consent of 60 per cent of the creditors.
6. In co-operation with the Department of Municipal Affairs to make periodic examinations of the affairs of municipal and school corporations whether in default or not, in order to prevent or remedy unfavorable situations. In this work, the Commission has endeavored with considerable success to act as a friendly counsellor, and it is only in unusual circumstances that it adopts drastic action.
7. After adjustment of a municipal default through sanction of creditors to exercise supervision to assure fulfilment of the scheme of reorganization.

Aims and Results

The Municipal Commission has tried to regulate the affairs of municipal and school corporations in Quebec so as to achieve sound and economical management on the part of the local authorities under the supervision of the Commission, and second, to ensure the least sacrifice from creditors, commensurate with the ability of a municipality to pay.

Apparently as a result of the Commission's work, the extent of municipal defaults in Quebec has been restricted largely to localities depending on the heavily depressed paper industry. The latest report available shows slightly over some $15,000,000 of municipal securities in default in Quebec which is a much smaller proportion, for instance, than in Ontario.

Defaults Voluntary

There are three ways in which a municipality can be placed in default in Quebec. The municipality can go into default at the request of its own council, and this has been done in 61 out of 62 cases of default. It can be placed in default by petition of 25 per cent or more of the creditors, which has not yet been done in any case. In addition, the Commission can declare a municipality in default which has been done in only one case, that of the town of Aylmer.

The fact that the municipalities themselves appealed for the protection of the Commission in 61 of the 62 cases of default, is taken as evidence of the confidence that Quebec municipalities place in the supervising body.

Treatment of Defaults

Once a municipality has been placed in default the policy of the Commission is to nurse it along by giving advice and making suggestions in the hope that the debtor will ultimately be able to resume control of its own affairs. Once the Commission sees its way clear to arranging a debt adjustment for a defaulter, it is arranged to restore the municipality's autonomy. In three cases this has been done. In another instance, the municipality actually did not want this autonomy back, but preferred to stay under the control of the Commission.

The Quebec Municipal Commission was organized to operate with broader powers than had been deemed necessary prior to the present difficult period in municipal finance. The Commission made use of the bureau of inspector-auditors established by the Department of Municipal Affairs. These inspectors travel around the province and make unannounced calls on various municipalities. If one of them finds a condition in a municipality's affairs that indicates need for action by the Commission he reports it to Quebec. Subsequently, an inspection and audit of the municipality's books is made and reported to the Commission, which may decide upon any action that is deemed necessary.

While only in one instance has a municipality been placed in default at the order of the Commission, it is understood that in numerous instances, the Commission has made suggestions to municipalities as to the regulation of their affairs, which have been heeded promptly.

Once a municipality comes under the control of the Commission through default the "delegate" becomes the financial ruler, manager and treasurer of the municipality. The council continues to function but the delegate must authorize any financial move the council decides to make. The delegate keeps in touch with the Commission, instructs the municipal officials what to spend, how to assess and tax, and as to prices that are to be charged for municipal services.

If and when the affairs of a municipality, in the opinion of the Commission, become ready for adjustment, the Commission arranges a bondholders meeting. Bondholders are circularized, advertisements are published, and the proposed scheme is described in full. Bondholders vote on the proposal, just as they would in the case of a corporation reorganization. At all times bondholders are kept informed, by adequate publicity, of the progress of the various defaulters.

Control of the Commission over municipalities includes all such corporations, in Quebec, whether governed under special or general act of the legislature, including school districts, townships, towns, cities, and even parishes, where, however, the consent of the Bishop is a requisite to certain action. The municipalities on the island of Montreal are not under the Commission's jurisdiction, but supervised by the Montreal Metropolitan Commission. The finances of the City of Montreal are, however, subject to the Quebec Commission's approval.

Powers of Commission

How autocratic is the control of the Municipal Commission is shown in certain of the terms of the act by which it was created, as follows:

The Commission consists of two members appointed for 10 years, who may be removed from office by the government for cause. The Commission may investigate any situation in person, or by appointees and can have access to all municipal records. The government can tell the two commissioners where they shall reside and can make the sheriff of a municipality provide proper quarters for meetings.

The Commission has the power to make a municipality pay for an investigation of accounts and can sue for such costs. All borrowings must have the approval of the Commission to have validity, and by section 28 of the act, the necessity and expediency of the loan, and the financial position of the proposed borrower, are to be taken into consideration by the Commission in granting permission to borrow. What is more, the Commission can make enquiries to see that the borrowed money is used for the purpose for which it was raised.

When the Commission is in control of a defaulting municipality, all moneys collected by the defaulter must be deposited in the bank to the credit of the Commission in trust for the municipality. Funds may be withdrawn only on the authority of the Commission or its appointed delegate. If a defaulting municipality doesn't conform to the Commission's orders respecting taxing, issuing permits and licenses, and prices to be charged for municipal services, the Commission may take over all power of administering these matters.

Power to hire and power to prevent or to arrange "firing" employees in a defaulting municipality may be taken by the Commission. A defaulting municipality cannot issue a valid promissory note for more than $100 without the Commission's approval. If such an unauthorized note is issued, it may be invalidated. If necessary the Commission may order tax sales. It is the hope of Quebec authorities that strict supervision may eventually improve the credit of municipalities, and consequently allow them to borrow at the lowest rates of interest.

This is the second in a series of articles describing the various methods of provincial supervision of municipal finances in Canada. The third article will appear in an early issue. The first article appeared in The Financial Post of Oct. 27, 1934.

New Books

INTERNATIONAL ECONOMIC RELATIONS. Report of the commission of enquiry into national policy in international economic relations. Published by the University of Minnesota Press, Minneapolis at $3.

The economic policy of the United States, in its relations with other countries, is all wrong. We have this on the authority of a group of economists and social scientists who have collaborated in producing this report. That is the simple idea one has in one's mind after reading through the lengthy volume, which contains their findings, their conclusions, their recommendations and the supporting evidence.

The Social Science Research Council, an autonomous body representing seven national professional bodies in the social science field, undertook the study. Their report is one of those painstaking documents that result when clear-headed thinkers, unbound by political ties or economic ideologies, put their minds together.

It is a very imposing list of recommendations they lay before the American people. They urge:

1. Immediate war debt settlement to relieve distrust and tension throughout the world.
2. Removal of tariffs where no unemployment would result, and lowering of other tariffs subject to proper safeguards.
3. Announcement by President Roosevelt that he does not intend to exercise his powers to change the gold content of the dollar.
4. Granting by Congress of wider powers to the Tariff Commission.
5. Repeal of governmental restrictions on foreign long-term private loans.
6. Abandonment at the earliest possible time of all measures tending to restrict agricultural exports.

These are perhaps the key recommendations and they are based upon a recognition by the committee that the United States is now a creditor nation.

McLEOD BUILDING 1934 NET $22,449

Bank Loan $28,946—Arrears of Dividends 6¼% at March 31

McLeod Building, Edmonton, showed net operating revenue of $41,182 for the year ended March 31, 1934. After deduction of a net amount of $18,733 for interest, chiefly payments on the $314,039 first mortgage held by the city, a net profit of $22,449 was shown. This was subject to deductions for depreciation and Dominion income tax.

The balance sheet shows no municipal tax arrears, but current assets totalled only $6,882, against current liabilities of $29,742, consisting chiefly of bank loan of $28,946.

Arrears of dividends on the building's $468,900 of seven per cent preferred stock totalled $29,306 at March 31, or 6.25 per cent.

DRYDEN PAPER REDUCES LOSS FOR PAST YEAR

President Sees Fair Prospect of Further Gain in 1934-35

From Our Own Correspondent

MONTREAL. — Moderate improvement in the operations of Dryden Paper Co. during the fiscal year ended September 30, 1934, is reflected in the profit and loss account which shows the net loss for the year, before depreciation, of $16,899, compared with $83,137 in the 1933 fiscal year. The latter account also shows an inventory write-off of $66,550, leaving a deficit for the year of $129,687, as compared with current deficit of $16,899.

In his report to the shareholders, J. H. A. Acer, president, said that at this time last year he had expressed the hope of better results, which had been achieved to some extent. At present he feels there is a fair prospect of further improvement in the present year.

Deficit is Smaller

Following is a comparative profit and loss account for the past three fiscal years.

Year Ended Sept. 30	1934	1933	1932
	$	$	$
Oper. profit	77,434	18,459	56,995
Other income ..	10,197	14,028	12,384
Net earn.	87,631	32,488	69,379
Bond int.	87,460	88,460	89,400
Balance	171	*55,972	*20,021
U. S. exch.	....	11,265	13,237
Balance	171	*67,237	*33,258
Directors' fees ..	210	......	......
Balance	*39	*67,237	*33,258
S. F. prov.	16,860	15,900	15,000
Balance	*16,899	*83,137	*48,258
Inventory W. O.	......	66,550	......
Balance	*16,899	*149,687	*48,258
Prev. bal.	*30,195	119,492	167,750
P. & L. bal.	*47,094	*30,195	119,492

* Deficit.

Working Capital Position	1934	1933	1932
	$	$	$
Current assets .	599,250	605,550	751,370
Current liabs. ..	43,908	38,401	41,584
Working capital	555,342	567,149	709,786

Few Changes Noted

Dryden Paper Co.'s balance sheet as at September 30, 1934, does not show any unusual changes from that reported in the previous year. Asset values total $7,876,921, as against $7,877,952. There is practically no change in the aggregate current liabilities, while funded debt now stands at $1,419,500, against $1,426,000 a year ago. The depreciation, depletion and sinking fund reserves show a slight increase at $1,060,606. During the past year the company did not write off anything for depletion of timber limits, as no wood was cut from this.

Among the assets, inventories show a small contraction at $312,873. Accounts receivable are higher at $108,647, indicating an increasing volume of business. Investments are carried on the books at $160,288, compared with a market value of $156,685. While the book value of investments is somewhat lower than was reported a year ago, the president states that the market value of the company's investments showed an improvement during the year.

Property account, timber limits and miscellaneous equipment are carried on approximately the same basis as at the end of the 1933 fiscal year. Cash on hand has declined from $22,999 to $17,440, while deferred assets have increased from $6,777 to $8,598.

Montreal Stock Sales Higher for November

From Our Own Correspondent

MONTREAL.—Sales on the Montreal Stock Exchange and the Montreal Curb Market totalled 1,773,499 shares in November as against 1,530,104 shares in the previous month and with 1,654,016 shares in November, 1933.

Industrial issues totalled 581,858 shares last November, as against 387,279 shares in October and 579,631 shares in November last year.

Sales of mining issues totalled 1,191,641 shares in November, as against 1,142,125 shares in October and 1,074,384 in November a year ago.

Suggestions for December Investment

Our December Investment Booklet contains a diversified list of Canadian Government and Corporation securities attractively priced.

This issue also contains a review of Bond market conditions.

Copy of this Booklet will be forwarded upon request.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

STANDARD PAVING EXPECTED TO CUT OPERATING LOSS

Few Contracts for Parent Company But Consolidated Sand Does Better

Standard Paving & Materials Ltd. will probably show another operating loss for the year ending March 31, next, The Financial Post understands but some improvement is expected over the previous year when a net operating loss of $118,828 was reported. This compared with a loss of $7,040 in 1933 and earnings of $325,055 in 1932.

Actual paving contracts during the season now drawing to a close have been few and far between, it is stated, and there has been so much competition on those secured that profits have been problematical. On the other hand, operations of the subsidiary company, Consolidated Sand & Gravel, are reported to have been more favorable and it is believed that this company, which showed an operating loss after depreciation of $40,144, last year may break even.

Road Work May Help

Moreover, while the usual season of outdoor construction is about over, there is some opportunity of further general road work on relief projects throughout Ontario, The Post is informed. The recent announcement that an agreement has been reached between the federal and provincial authorities regarding such road work on the Trans-Canada Highway in Northwestern Ontario may further help this company.

The Steamer Sand Merchant, on which interest on the $134,500 bonds outstanding is guaranteed by National Sand & Material Co., a subsidiary of Standard Paving, has been tied up most of the season, it is stated, but the fleet of material boats owned by National Sand has been kept fairly busy.

Recent Losses

Standard Paving, as a result of the heavy losses in the last two years, has had to dig down into surplus, the balance carried forward having been reduced from slightly over $1,000,000 in 1932 to approximately $426,000 at the end of the 1934 fiscal year. Working capital, which stood at $368,715 at the time of the last fiscal year, however, is still considered strong and with no funded debt and depreciation reserves of 48 per cent of property account, the company is reported to be in a favorable position to take advantage of new business when it develops. Capitalization at March 31, 1934 consisted of $1,310,500, seven per cent cumulative preferred shares outstanding and 104,872 no par value common.

B.C. Creamery Butter

More than five million pounds of creamery butter were made in British Columbia during the ten months of the year. The make amounted to 5,058,344 pounds, as compared with 4,433,527 pounds in the similar period of last year.

JOHN D. GILMOUR
(B.Sc.A., B.Sc.F., Toronto)
CONSULTING FOREST ENGINEER
QUEBEC, P.Q.

Member Executive, Pacific Logging Congress; Member of Canadian Society Forest Engineers, Quebec Association of Forest Engineers, Senior Member Society of American Foresters.

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COMPANY LIMITED
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Secretary: L. C. HASKELL *Treasurer:* CHAS. JOHNSTONE

Twenty-First Consolidated Annual Statement
Year Ended September 30th, 1934 *(Condensed)*

ASSETS

Plant Investment; Properties, Franchises, Organization, Discount on Bonds, etc.	$21,561,718.06
Cash and Guaranteed Demand Loans	344,936.15
Investments in and Advances to Affiliated Companies (book value)	450,707.49
Other Investments	*2,527,064.58
Accounts Receivable including Accrued Revenue	300,203.58
Merchandise & Supplies	177,198.53
Prepaid Expenses	102,740.14
Mortgages Receivable, less Reserve	10,661.54
Funds in escrow with trustee for bondholders	7,993.09
Employees' Capital Stock Purchase Accounts, Balance	48,697.31
	$25,531,922.47

*As at 30th Sept., 1934 the Market Value of "Other Investments" was $814,958.78 less than the book value shown above.

LIABILITIES

To the Public:		
Funded Debt	$ 6,675,585.66	
Less: Bonds deposited as Collateral Security	20,000.00	
	$ 6,655,585.66	
Accounts payable	89,222.44	
Provision for Taxes	133,634.40	
Preferred Dividends payable October 15th	106,333.50	
Customers Deposits, including interest	39,020.08	
Bond interest due and accrued	164,271.50	
		$ 7,188,067.60
To Shareholders:		
Preferred—70,889 shares of $100.00 each		$ 7,088,900.00
Common—400,000 shares no par value		8,672,000.00
Minority shareholders interest		43,424.65
Reserves—Depreciation		*1,886,793.08
Miscellaneous		229,602.87
Earned surplus—Balance at 30th Sept., 1934		423,224.87
		$25,531,922.47

*Balance after applying $192,120.00 to write down of certain investments.

NOTE:—A Dividend of twenty cents per share on the Common Shares has been declared payable 15th November, 1934.

INCOME AND EXPENDITURE ACCOUNT

Gross Earnings		$2,076,089.60
Income from Investments		113,993.11
Expenses:		
Operating Expenses	$ 667,601.77	
Directors' Fees & Expenses	16,280.75	
Interest on bonds	332,620.27	
Exchange Premium on Bond Interest	5,746.99	
Provision for Depreciation	229,548.78	
Provision for Income Taxes	128,365.00	
Minority Interest in Net Profits	155.70	
Net profit	809,735.45	
	$2,190,082.71	$2,190,082.71

EARNED SURPLUS ACCOUNT

Balance at Credit 30th September, 1933		$ 359,402.42
Net profit for the year ended 30th September, 1934		809,735.45
Dividends on Preferred Stock	$ 425,334.00	
Dividends on Common Shares	315,569.00	
Dividends on Minority Shares of Subsidiary Companies	2,000.00	
Balance at Credit September 30th, 1934	423,224.87	
	$1,169,137.87	$1,169,137.87

Approved on behalf of the Board: JAS. B. WOODYATT, P. A. THOMSON, Directors.
Examined and certified in accordance with our certificate dated Nov. 20th, 1934—P. S. ROSS & SONS, Chartered Accountants.

News of Canadian Mining Investments

The Week in Mining

Greater Co-operation

THE new regulations covering the sale of oil royalties which have been announced by J. M. Godfrey, Ontario Securities Commissioner, will necessitate a degree of co-operation between the Provincial Secretary's department and the Securities Commission which heretofore has been lacking.

The new policy laid down by the commission prohibits the use of a name by a royalty company which implies a guaranteed investment, and as result a number of companies which have been in the oil royalty business for some time will be forced to change their names in order to comply with the new regulations. The selling of oil royalty securities which through their name convey the impression that they carry an assured income is also to be checked. Assured trust certificates and other misleading names will not be tolerated. While admittedly a hardship on companies which have been allowed to carry on operations under these conditions in the past it is a necessary step for the protection of investors.

The Financial Post is informed that an application for a charter for a company which intends to sell oil royalties will in future be submitted to the Securities Commission for approval. This will prevent the incorporation of a company whose name would not meet with the approval of the Commission. In the past no such precaution has been taken.

A scheme of co-operation is also being worked out with the Department of Mines. Co-operative measures and consultation between the departments will be a step forward. The Department of Mines can very often supply the Commission with information that will help it in checking the operations of wildcat promoters.

* * *

Senior Golds Firm

ALTHOUGH senior golds have been firmer during the past week the rally has not been sufficient to pull the market out of its trading rut. Other groups continue weak, traders being somewhat reluctant to make commitments. Price adjustments in the junior gold group have been narrow while penny stocks have shown considerable weakness. Heavy offerings of the latter have resulted in further declines.

One of the features of the market has been the break in the price of Eldorado. This is the second time within recent weeks that a sharp decline in this company's stock has occurred. This week a new low for the year was recorded when the stock fell to 86 cents. In subsequent session, however, it reacted to slightly higher levels.

Silver stocks have moved in sympathy with Eldorado. Nipissing, Castle-Trethewey, White Eagle and Bear Exploration have all registered recent declines.

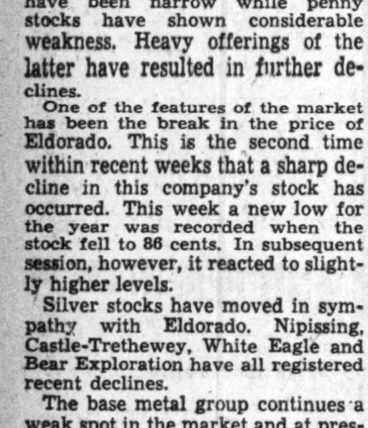
The base metal group continues a weak spot in the market and at present the outook for improvement is not very hopeful. Falconbridge has been the only strong point in the group, responding to the declaration of a 7½ cent dividend. Early in the week Noranda sold off sharply and Base Metal Corp. hit a new low for the year.

* * *

Index of Mining Stocks

THE weighted index number of twenty-three mining stocks computed by the Dominion Bureau of Statistics on the base 1926 equals 100, was 120.7 for the week ending November 29, as compared with 122.4 for the previous week.

Nineteen gold stocks fell from 122.8 to 120.2, and four base metals stocks rose from 125.0 to 126.3.



MIDWAL OIL & GAS CO. OPTION 619,000 SHS.

Agreement Over Period of Six Months at Sliding Scale

Details of treasury option on stock of Midwal Oil & Gas Co., under an agreement dated November 14, 1934, have been announced to the Toronto Stock Exchange. The option is for a period of six months provided that the specified monthly payments are made on 619,000 shares at the following prices:

119,000 shares at 17 cents.
100,000 shares at 18 cents.
100,000 shares at 19 cents.
100,000 shares at 20 cents.
100,000 shares at 21 cents.
100,000 shares at 22 cents.

In each instance the price shown includes a commission of 25 per cent. As of the last questionnaire submitted to the Exchange, Midwal Oil & Gas has 699,944 shares remaining in the treasury out of a capitalization of 1,500,000 shares.

Engineer Urges More Work on Gold Cliff Properties

A. F. Banfield, consulting geologist for Gold-Cliff Ltd. has returned from completing a ten-day examination of the Tri-Metal Group, one of Gold-Cliff's properties near Oxford Lake under development. He reports that George McKnight in charge of the work has completed about 300 ft. of trenching and that these have all been sampled. Winter quarters have been erected. Mr. Banfield in a report to directors of Gold-Cliff, states that "considerably more trenching and sampling will have to be done in order to determine the average grade of ore from a large number of assays.

MACL.-COCKSHUTT STILL PINS FAITH TO NORTH ZONE

Erratic Findings to Date Hamper Decision of Directors

From Our Own Correspondent

SUDBURY.—"Whatever else we do we propose to go ahead and see what we have in the northern part of our holdings," said President Fred G. MacLeod of MacLeod-Cockshutt Gold Mines, in discussing the situation at the property due to the recent decision to discontinue underground operations.

Mr. MacLeod and Arthur Cockshutt, a director, went into the property last week-end, and met F. M. Connell, of the Connell Mining and Exploration Co., which financed the operation, together with resident engineers, for the purpose of making another inspection of records and underground conditions for a prompt decision as to the immediate future.

Findings Erratic

Since the conference at the mine on November 17, conditions actually improved in drifting operations, though the betterment did not continue. The drift on the north zone to the west began to show ore running in excess of $8 per ton over drift width, and this condition continued for over 30 ft. Immediately afterward, however, lean ore was again encountered, which situation complicated the question of suspending or continuing operations.

Mr. MacLeod and Mr. Cockshutt have both made it clear that there is no present intention either to abandon the property or discontinue the effort to find ore. While the underground exploration has been proceeding in the centre of the property, there has been study of surface and geological conditions elsewhere, especially in the north. From information secured from the Little Long Lac and Oklend properties, MacLeod-Cockshutt is of the opinion that a diamond drilling campaign in the northern part of its holdings is justified, and such a programme has actually been mapped out. The report of C. G. Williams, consulting engineer, upon which the directors originally based their decision to discontinue operations, said:

"I also recommend further exploration in such areas as remain undeveloped and that especial attention be given to the geological survey now being made by Little Long Lac Mines."

MacLeod-Cockshutt is stated to have $50,000 cash remaining in its treasury.

GREAT BEAR MINES IN NEED OF FUNDS

Operations at Hottah Lake Suspended For Winter Months

Great Bear Mines Development has suspended development at its Hottah Lake property, North West Territories, for the winter, The Financial Post is informed by Ed. Hargreaves, the company's mine manager, who has just returned to Toronto after supervising the summer's operations.

The company, Mr. Hargreaves told The Financial Post, is at present handicapped by a shortage of funds but it is expected that operations will be resumed in the spring. Negotiations are at present under way to raise further finances.

"We have had very good results from the summer's development work," Mr. Hargreaves stated. "The property is in excellent shape and assays of shipments of ore to the Department of Mines at Ottawa indicate that the property has considerable promise. A shipment of 3,014 pounds of ore sent to Ottawa gave assays of from 22 to 52 per cent uranium oxide, the average being 35 per cent. This is a remarkably good uranium content."

Work on the company's property during the past summer was confined to the sinking of a shaft on No. 2 vein. This has been put down to a depth of 50 ft. and when work is resumed will be sunk to a depth of 100 ft. where a station will be cut. While three veins have been uncovered on the property work has been concentrated on vein No. 2.

Cheaper to Sink

No diamond drilling has been done on the veins and present plans do not include a drill programme. Mr. Hargreaves explained that the veins run in a vertical direction and as a result it is much cheaper to sink a shaft on the vein than to diamond drill.

Great Bear Mines Development is the only company which is carrying on active exploration work in the Hottah Lake section, according to Mr. Hargreaves. Several other discoveries have been made but little work has been done on these.

Lake Maron Gold Lists 1,500,000 Shares More

Lake Maron Gold Mines, with property in the Little Long Lac area and near Reed Lake in Manitoba, has had its application for listing an additional 1,500,000 shares approved by the managing committee of the Toronto Stock Exchange. These additional shares have been posted for trading. The authorized capitalization of the company was increased from 2,500,000 no par value shares to 4,000,000 shares by supplementary letters patent dated October 24, 1934.

The company proposes to undertake further diamond drilling at its Little Long Lac property and also to do a limited amount of drilling on its Reed Lake group. As at November 12, the company had cash amounting to $47,910, investments in other companies at a book value of $39,638 and accounts receivable of $374, a total of $87,922. The company shows no liabilities other than that to shareholders, for capital stock issued. Investments consisted of the following:

Long Lac Lagoon	150,000 shares
Greater Canada Mines Corp.	52,550 shares
Glenora Gold Mines	30,000 shares
Algoma Min. & Fin. Corp.	200 shares

Keystone In World Industry

Sudbury activities of International Nickel are in splendid condition for an attack on the record of earnings of 1929, The Financial Post gathered from a recent visit to this district. Whether 1935 will, economically, give scope for this sturdy physical condition remains to be seen. Above is a recent aerial view of the company's smelter at Copper Cliff, Ont., which is the cornerstone for this industry.

CREDITORS MEET AS THOM. CADILLAC SUBJECT OF PROBE

Godfrey Announces Enquiry Into Cheery Reports for Dec. 7

J. M. Godfrey, Ontario Securities Commissioner, has announced that a public enquiry into pre-bankruptcy activities of Thompson-Cadillac Gold Mines will be held. The direct object of the investigation will be to discover the reason why optimistic reports were circulated about this company and large sums spent in building a mill and installing expensive equipment when the ore was not available in sufficient quantities. Progress reports issued just a few weeks before the company went into voluntary liquidation, were most optimistic and indicated that everything was running smoothly.

The enquiry is to be held at Queen's Park at 10.30 a.m. Friday, December 7.

The first meeting of creditors of Thompson Cadillac Mines will be held on December 7 at 6.30 p.m. at the office of the official receiver in Montreal. Harold J. Inns, custodian, reports in a letter to creditors that a total of $84,911 is owing the creditors from the company. These creditors are as follows:

William J. Bell, Sudbury	$28,472
Blue Prints Ltd., Montreal	17
Canadian Enterprises Ltd.	26,962
Haskell, Elderkin and Co.	190
Trusts & Guarantee Co., Toronto	455
Sir Thomas Tait, Montreal	28,814

BIG DEALS LOOM NORTH OF 'PEG ENGINEER HINTS

English and New York Capital Involved in Alleged Sales

From Our Own Correspondent

WINNIPEG.—Some big deals are pending in the north country, according to Ed. F. Elliott, consulting engineer of The Pas, who has been in Winnipeg for several days this week. Mr. Elliott said negotiations were not sufficiently far advanced to make them public but they included at least three fairly well-known properties ranging from Elbow Lake west to the Saskatchewan boundary. One of the deals is with London (England) financiers while another is with New York capital.

W. J. Young, well-known mining man from The Pas returned this week from a trip to the United States where he was making arrangements for financing some properties in which he is interested. Mr. Young says more real work has been done in the north this year, with less said than ever in its history. He believes the mining area north of The Pas shows real promise of bringing into production some good gold properties, which with the Flin Flon and Sherritt-Gordon should very definitely put it on the map as an important producing section.

Rickard Ramore Drills Prove Widths of Zones

Over the signature of E. Wise, sec.-treas. of Rickard Ramore Gold Mines, first results of diamond drilling on this company's property in Rickard Twp., Ontario, are given. These results were received from H. Hollands-Hurst, consultant engineer, in charge of operations.

The first drill hole was to a depth of 372 ft., encountering a mineralized zone at 88 ft. and leaving it at 103 ft. Another mineralized zone was encountered at 309 ft. the drill leaving it 319 ft. This gives width of 15 ft. and 10 ft. respectively.

This work confirms the result of a former drilling operation done by Mining Corp. when this latter company had an option on the property. Rickard Ramore is continuing drilling and further results are expected shortly.

Inco in Fine Physical Shape To Make Onslaught in 1935 On 1929 Earnings Record

First Fruits of Three-year Development Programme Will be Felt at Start of New Year — Visit to Smelter Shows Additions Far Advanced

By Staff Editor

SUDBURY.—With its battery of four new convertors scheduled to start operations early in 1935, and with the new Creighton development due to get under way about the same time, International Nickel will start the new year well equipped to give the 1929 earnings record a real jolt.

A visit to the smelter at Copper Cliff reveals that work on the new convertors is being pushed along at maximum speed. This link in the smelter process has long been known as the bottle neck of the industry. As was expected, the present battery of eight convertors has been unable to cope with the increased rate at which ore was being brought from the Creighton and Frood mines. Not only will the addition of four convertors add materially to Nickel's output, but it will result in smoother smelting operations and indirectly lower costs.

Part of Original Plan

When the plant construction was completed in 1930, space was left for the addition of two new convertors when and as the practicability of the milling and smelting process was amply demonstrated. At that time the company did not think it wise to saddle itself with the cost of installing this equipment. So satisfactory have been the operations in the past two years, however, that the management felt that four instead of two new convertors should be added, to balance properly the output of nickel and copper. This necessitated the construction of a comparatively small addition to the smelter building, an addition which has now been completed. The cost of these additions has been kept well within the estimated $1,000,000.

Preliminary work, at the time of the visit of The Financial Post, on the new shaft at the Creighton mine had just started. This shaft will be sunk northwest of the old shaft on this property, and may go down for a distance of 4,000 ft., although the exact objective has not been decided upon. Preliminary sinking, to a depth of 50 or 75 ft. has been done, and the company does not expect to start sinking in earnest until early in January. It will be necessary to erect the head-frame and hoist, and other equipment essential to winter sinking. When preliminary work has been completed, it is expected that shaft sinking will continue at the rate of about 120 ft. a month. At this rate, it will be nearly three years before the shaft reaches its nominal objective of 4,000 ft. It is understood that work on the shaft will also be done from the various levels already established from the old four-compartment, incline shaft centring on the 30th level, which, in the case of International Nickel, is not necessarily the 3,000 ft. level. By working from below, the company will speed the work of shaft sinking, although not seeking any record in this regard.

To Cost $700,000

Both this development work at Creighton and development currently being conducted at the rich Frood mine, are part of a three-year development programme outlined in the last annual report, and for which the sum of $700,000 was set aside. Frood mine is now supplying about 150,000 tons per month, and Creighton about 55,000 tons.

The Ontario Copper Refinery, in which International Nickel has a controlling interest, is now operating at about 55 per cent of rated capacity, and is producing about 5,500 tons of refined copper per month, The Financial Post was informed. Robert C. Stanley, president, recently pointed out that the copper output from the company's entire operations amounted to more than 200,000,000 pounds per year. About half this number of pounds of nickel is produced annually.

Although copper prices are still precariously low, officials of the company intimate that they are still able to find a market in the United Kingdom and in European countries.

As to nickel, export figures recently released by the company show exports of this metal to have been as follows:

Nickel Exports

	1934 $	1933 $	1929 $
Oct.	2,113,598	2,324,232	2,061,794
Sept.	1,741,759	2,480,606	1,865,432
10 mos.	23,883,306	17,253,210	21,549,945

Although earnings for the third quarter of 1934 were slightly below those of the first two quarters, world conditions are known to have materially bettered since the period covered in the third quarter report, and it is a good guess that the company, in 1935, will come fairly close to the record for earnings set in 1929, when the company earned about $1.47 per common share. In 1933, the company's earnings were about 53 cents per share. Predictions are that earnings for 1934 will be in the neighborhood of $1.10 per share.

In 1929, when the record was established, the average price of copper during the year was slightly over six cents per pound. In 1933, the average price was only half that figure. So it is easy to see what a real effect the price of copper has on the earnings of this company. Nickel prices for the past eight years have remained about stationary at 35 or 36 cents per pound.

In estimating the earnings of International Nickel, little reliance can be placed on precedent. The earnings per common share, since the company's inception, have shown wide variance from year to year. This is amply illustrated by the following table, which shows the earnings per common share for six years:

Earnings Per Common Share, and Dividends

	Earned $	Paid $
1934*	1.10	.50
1933	.53	nil
1932	nil	nil
1931	.22	.45
1930	.67	1.00
1929	1.47	.90

* Estimated.

Physically, International Nickel is better equipped than ever to meet the new year. From the point of view of markets, nobody but a fool would attempt to propound what the world situation, in which Inco is vitally interested, will contain. The best that can be said is that the outlook, as 1934 draws to a close, both in copper and nickel, points to healthy improvement in heavy industry all over the world.

Delnite Mines Formed By Sylvanite Gold

Sylvanite Gold Mine, which, as reported by The Financial Post early in July, acquired the property of LaRoche Mine in the Porcupine area, announces that a new company, Delnite Mines, has been formed to take over and develop the new acquisition. Delnite is capitalized at three million shares $1 par value, of which 840,000 will be allotted to LaRoche shareholders on a basis of two Delnite for five LaRoche.

Sylvanite has an option on a total of 1,200,000 shares upon terms which call for $359,200 in the event that all optional agreements are exercised. The holdings of the new company consist of the original LaRoche property and the Rendix claims of about 50 acres immediately adjoining in the north recently acquired to protect the north dip of the ore. Since early in August several thousand feet of diamond drilling have been completed indicating ore conditions for a length of some 700 feet at about the 125-ft. level.

Minto Gold Reserves Right to Sell 200,000 Shares

Minto Gold Mines under an agreement dated November 9, 1934, reserved the right to sell 200,000 treasury shares at prevailing market prices, less a commission of 1 cent per share. The last questionnaire submitted to the Toronto Stock Exchange gave the treasury position as 850,000 shares out of a capitalization of 3,000,000 shares.

The Exchange has been advised that pursuant to the regulation, the treasury options on Gold Belt, Minto (former option), God's Lake (one option), have been terminated through default.

GRANADA GOLD DUE TO SUFFER ANOTHER CHANGE

Need for More Capital Accentuated by Drop in Market Price

Officials of Granada Gold Mines, which is currently offering the balance of the unissued capital stock namely, 99,131 shares at 25 cents per share, has come to no decision as to what they will do now that stock of this company is being traded on the street at considerably less than 25 cents per share.

In a letter to shareholders, W. A. Gamble, secretary of the company, gives notice that the company owes about $60,000 of which about $22,000 is represented by unpaid trade accounts and the balance money borrowed by the company. So that even if all of the shares referred to above were sold, it would be necessary to raise further capital.

In his report, Mr. Gamble intimated that some reorganization of the company's capital structure will be necessary. The fact that Granada stock dropped so sharply in the past week or two will doubtless confirm the view of the directors in this regard.

The present issue of stock is being made on the basis of one share for every 15 shares on the stock of the company issued and outstanding and each shareholder of the company will be entitled to "subscribe and pay for one new share in respect of every 15 shares held." These shares will be allotted on December 10 to shareholders who have subscribed at 25 cents a share.

View Strengthened

The directors, however, leave themselves a loophole in the last paragraph of the notice to shareholders which reads as follows: "If there still remain shares not subscribed and paid for the board of directors will proceed on or after December 10, 1934, to make such disposition of them as they may deem advisable."

This company, which is a promotion of R. C. Gamble, has been subjected to various set backs and reorganization since the acquisition of the property, some six miles south of Rouyn, Que. The company was originally a reorganization of Granada Rouyn Mining Co. Production started in June, 1930, with a 50 ton mill. Shortly after the mill had been increased to 100 tons capacity and electrified, it was found necessary to refinance the company, when production proved inadequate. In January, 1930, the capital stock was reduced from 5,000,000 shares no par value all outstanding to 1,000,000 shares no par value, shareholders accepting one new share for each ten shares held. At this time, 500,000 shares were issued to old shareholders and 100,000 shares offered to the public to finance the new mill. In July, 1931, the authorized stock was increased to 1,500,000 shares and the value changed from no par value to $1 par, shares exchangeable share for share. In 1933, undisclosed New York interests exercised options on a block of treasury shares at various prices down to 50 cents to provide funds. If, as is now hinted, a fresh reorganization is in view, it will be just one more link in the chain of reorganization which the company has undergone.

McVITTIE-GRAHAM EXAMINES CLAIMS IN GT. BEAR AREA

Sends Engineers to Property of Burwash Yellow Knife Mines

While confirming to a limited extent the report pubished in a Toronto daily paper to the effect that McVittie-Graham Mines had "taken over under option" the "Rich" group of claims owned by Burwash Yellow Knife Mines in the Great Bear Lake district, officials of this company pointed out to The Financial Post that as yet they had had no opportunity to examine the property and that their interest depended solely upon the reports of their engineers, who are at present on their way to the property. If the report of McVittie-Graham's engineers is not favorable the terms of the option will not be taken up. It will be at least a month before definite reports will be in the hands of McVittie officials as flying weaher is not yet at hand.

The Financial Post understands that Veraguas Mines in which McVittie-Graham owns 420,000 shares has still about $97,000 including interest to pay on McVittie's loan to this company. It is expected that this loan will be to a large extent paid off by the first of 1935. When it is paid off, McVittie-Graham will have cash assets of approximately $260,000.

The "Rich" group was staked last summer and has produced some interesting but not necessarily indicative samples. The vein has been traced for a length of some 200 ft. at which point it ran into a swamp. It is understood that B. J. Baker, M.A., will supervise the systematic channel sampling of the vein for McVittie-Graham.

Galatea Gold Mines Plan to Continue Surface Work

A. B. Davidson, president of Galatea Gold Mines, which holds property in Duparquet Township, Quebec, reports that surface development on this property will be continued during the winter.

The winter programme is expected to prove additional length to already established surface showings and, it is hoped, will provide valuable data as regards values and structure in preparation for a geological survey of the property planned for commencement in the early spring.

A surface crew is at present working on the western section of the property 700 ft. east of deposit "A." Mr. Davidson states that the result of exploration has been very satisfactory.

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Oil Royalty Regulations Establish Close Checks On All Ontario Business

Companies' Names Are Changed and Literature Destroyed as Misleading — Try to Prevent Exorbitant Prices

After a study by officials of the Ontario Securities Commission of the sale of mineral deeds, oil leases, oil royalties and oil interests, and of the various agencies of placing these in the hands of the public, J. M. Godfrey, K.C., chairman, has announced a general policy designed to replace unregulated sale with sale under conditions that will permit close scrutiny of what is being done.

The main provision, and a very novel one in Canada, combats the tendency of many operators in this field to exact exorbitant prices from the public by setting forth a formula for determining what will be a fair price. No sale can be conducted except under trusts established by agreements with trust companies in the province and the latter cannot accept certificates of title for underlying deeds or interests unless given proof that earnings have been at the rate of 18 per cent per annum for the three months preceding assignment to the trustee. Arrangements are also made to provide that that rate of income is maintained for nine more months at least. In this and every other provision it is stressed that these investments are based on wasting assets, and it is the desire to provide for some return of capital to buyers of trust or other certificates.

May Change Regulations

It is wisely provided that the regulations can be changed from time to time as experience makes it appear essential. It is probable that this formula will be under closest scrutiny as oil royalties are based on wells with very varied prospects as to duration. Some gushers come in with a big production and last from one to three years and others are more moderate but live a long time. It is desirable that trustees acquire a good deal of information as to expected duration of lives of various fields and the respective "sands." The Commission realizes that the 18 per cent provision might easily be inadequate if wells of short life are chosen. As royalties on these could be purchased cheapest this provision might tend to depreciate the type of oil royalty bought unless some check is maintained of this character. At any rate it is the first attempt to introduce regulation into a field which has been so far almost a free-for-all.

The Ontario effort at regulation and the expedients so far devised will be watched all over Canada as many millions of dollars have been lost by Canadians who have been deceived into thinking they were making a safe investment instead of making in too many cases a speculation where the cards had already been stacked against them. Companies with names that suggest safety have been told to change them and to destroy misleading literature.

Public Was Misled

The central guiding idea of the Commissioner in framing the new regulations is that investors have been most frequently fooled by being led to expect a large annual return by way of fixed income on the oil royalty interests which they bought; they did not understand that the returns received from oil royalties are a repayment of capital until the purchase price has been repaid. The investment itself is based on a wasting asset, but that fact has in many cases been cleverly concealed from the public by misleading sales literature.

Individuals who buy mineral deeds, oil royalties or oil leases outright are not affected by the new regulations. They apply mainly to the subdivision of these evidences of possession and the sale of fractional interests directly or through the medium of certificates or shares to the general public. As The Financial Post pointed out two weeks ago in advocating close supervision of this business there is no check of the prices at which "interests" are taken in by companies or trusts. Such a check is regarded as essential because principals of the latter may be the salesmen of "interests" and the heavy load of profit thus extracted is hidden because of a further subdivision and the public is satisfied by the monthly revenue received on certificates based on an inflated value for the interests deposited.

Hereafter all who deal with the general public in this business must appoint a trust company in the province as trustee to administrate the interests bought as a trust. Before that principals in each venture must have satisfied the Commission as to their integrity and financial standing whether they operate as individual, firm or company.

Strict Tests Set

New companies getting into this business will have strictest scrutiny. To make sure that the "interests" deposited are valuable and valid, it is provided that no certificates or any other form of security based on the deposit shall be offered for sale until nine months after an absolute assignment of the "interests" is deposited with the Trust company. This assignment must be accompanied by a certificate of title signed by a reputable solicitor in the district where the royalties or deeds were created, asserting that the latter are in full force and effect and that the assignment or transfer vests unencumbered titles in the said trust company.

A person, firm or corporation may avoid this nine months wait by filing with the trustee a bond of a surety company in good standing to ensure due compliance with this policy. If the applicant can satisfy the Commissioner that this provision causes him undue hardship, and that otherwise he is a suitable person or company to receive a license he can obtain from the trustee permission to issue securities to the extent of 60 per cent only of the total value of the deeds vested in the trustee without waiting nine months or securing a bond. The remaining 40 per cent of the certificates or shares which the applicant desires to issue, shall be issued to him only by the trustee as the latter is satisfied that the Commission's general policy is lived up to. For greater safety still, it is provided that they can be issued only at the rate of one quarter of such 40 per cent at the expiration of the first, second, third and fourth years from the date when the underlying deeds were transferred to the trustee.

Sales by Formula

Companies which were already in this business before December 1, can continue without furnishing a bond or postponing the sale of securities but must comply with all other requirements. Principals who are in effect salesmen of original "interests" to a royalty company or trust, and then salesmen of subdivided "interests" as well; to the public, are aimed at in the provision that all mineral deeds, oil leases, oil royalties and oil royalty interests must be transferred to the trustee at a fixed price or valuation which will provide a yield of at least 18 per cent per annum. This yield is to be determined by the yield or return for the three months immediately preceding the date of assignment. This yield must be verified by documentary evidence. If this yield is not realized in the nine months following date of assignment, then the transferor by terms of trust agreement shall add enough of new deeds, leases, royalties or interests to increase the yield to 18 per cent per annum. If these added securities do not live up to the 18 per cent requirement for nine months they must be added to again.

Must Provide Reserve

The trust agreement which every salesman or sales company or firm must execute with a trust company provides as follows:

1st, for the Trustee's fees, expenses and taxes.

2nd, for a distribution of 12 per cent to holders of trust certificates.

3rd, for the investment of remaining funds to buy additional mineral deeds, oil leases, oil royalties and interests or Dominion or Provincial bonds, the whole to constitute a reserve fund.

If the reserve fund exceeds 25 per cent of the face value of the securities outstanding, the trustor may direct the trustee to distribute additional cash bonuses by way of return of capital. In distributing this amount it is laid down that these bonuses must be definitely stated to be "return of capital," but the distribution must not be so large as to bring the reserve below 25 per cent.

Destroyed Misleading Literature

Those creating such trusts are required to keep full records of monthly income from each division of interest held by the trustee. A check will be maintained by the trustee or a chartered accountant acceptable to the Commission. The latter reserves the right to inspect all advertising matter issued by trustors and it is understood that large quantities of advertising matter to go through the mails have already been destroyed because it did not meet the Commissioner's strict ideas.

A trustor is especially enjoined, in creating a trust, not to use a name such as might convey to the general public the idea that returns from the trust are guaranteed or insured unless such is a fact. Some well-known companies will have to change their names. In making sales of securities they cannot strive to aid such sale by saying the securities have received the approval of the Commission.

The Commission indicates that it will keep a watchful eye on the course of this business in the future and will vary these regulations from time to time in the light of additional experience gained.

North Shores Gold Mines Will Pour $15,000 Brick

From Our Own Correspondent

SUDBURY.—The Schreiber area will yield its first gold this midweek, when the North Shores Gold Mines will pour a brick of the yellow metal, valued at approximately $15,000. The property is located about two and one-half miles south of the town of Schreiber, and has a force of 54 men employed in an active development campaign. Permanent buildings are under construction at the present time.

The North Shores mill is a small plant of 25 tons daily capacity, and word from the mine is to the effect that satisfactory results are being obtained.

"Over Bought" Position Behind Gold Stock Trend In Canada, South Africa

Survey by The Financial Post Shows Identical Factors at Work

OCTOBER DECLINE

Weak Spot Seen to be in Market and Not in Mining Position of Companies

Canadian gold stocks are not alone in their discomfort of declining prices. The price action of South African golds in recent weeks has also recorded a downward tendency, as the chart appearing elsewhere on this page shows, and an examination of the factors leading up to this indicate that conditions in the London and Johannesburg markets are similar to those which resulted in the stagnant condition of the Canadian mart.

It has been pointed out several times in the columns of The Financial Post that the decline in the market value of gold mining securities has not been due to any inherent weakness in the industry itself. Intrinsically the mining position of the gold producers is as good as ever, and, in fact, much better than a few years ago. The big producers, both in Canada and South Africa, have, as result of their low-grade ore policy, increased their reserves of rich ore available to sweeten up their returns should the price of gold temporarily decline. The lives of the mines have been considerably lengthened. The weak spot is to be found in the market position of the securities of gold mines.

In the opinion of the British financial press the shake-up on the London and Johannesburg Stock Exchanges has been a healthy one—a parallel of the Canadian situation which has been lost sight of in most quarters. The gold share market has enjoyed a long run of rising prices, and in such conditions there is always built up a speculative edifice which it takes very little to shake. As the graph based on The Financial Times (London) index of gold stocks shows, the securities of the South African mines rose in price almost continuously from the date of Great Britain's departure from the gold standard until October of this year. In many cases stocks were carried to artificial levels as result of speculative operations and inflationary hopes. The possibility of further inflation in the immediate future has waned somewhat and as result a period of declining prices has set in, the greatest weakness occurring in the non-dividend paying stocks.

Stocks Overbought

Perhaps a more disturbing factor in the London market has been its overbought position and the quantity of undigested securities. This has also been one of the principal factors in the decline of stocks on Canadian exchanges. At the outset of the decline most of the weak holdings were liquidated and this accentuated the downward tendency. There was also considerable selling of dividend-paying stocks in order to cover losses on non-dividend-paying shares.

As in Canada there have been too many new companies formed. As result the Johannesburg market is glutted with undigested securities. The boom in South Africa, as elsewhere, has been accompanied by wildcat promotions and these have also had a telling effect on the market.

English Experts Hopeful

Canadian market observers have been pessimistic of late as to the future trend of the price of gold. It is felt in this country that there is little possibility of a further increase in the price of gold and many are of the opinion that the price will decline if France is forced off the gold standard. London mining papers do not subscribe to this viewpoint, being of the opinion that there will be a further devaluation of currencies. The Gold Mining Record has the following to say in its November number:

"For what it is worth, the outlook, as it appears to us, is that, possibly by the end of March, the gold bloc will have ceased to worship at the fetish of the gold standard, the dollar will be devalued to 50 cents and sterling to 10s., connoting a rise in gold to 170s., a price which has already been reached in Australian currency.

"Broadly speaking, this would mean at least doubled dividends for the world's gold producers. In short, by and by we expect a furious blaze in the gold share markets. But as far as we can see it chiefly depends on the gold bloc. There is, however, no doubt that in Belgium, Holland and Switzerland a large, influential and growing group is in favor of 'going-off,' and 'going-off' at once."

S. A. Volume Up

In 1929 it was freely predicted that the Rand was on the verge of a period of declining production. How much truth there was in this assertion may never be known, for unforeseen conditions have entirely altered the situation. It now appears that no field in the world offers such potentialities of a measure of expansion and in the present year the volume of output of South African mines will be the highest on record. Canada's output, on the other hand, will show a slight decrease in volume. The ore reserves of Rand producers have shown enormous increases as result of the higher price for gold and many new fields have been opened up.

South African producers have recently been subjected to a storm of criticism because of their policy of milling low-grade ore. There has risen a school of thought among investors and speculators, especially the latter, favoring the rapid working out of the higher-grade ore. This group claims that the extra profit earned in this way is available for reinvestment either in mining or other forms of organized business and becomes productive in its turn rather than remaining a potential asset.

Yields Much Higher

Canadian investors must look with envious eyes at the high yields of South African gold stocks. It is well known that British investors demand a higher yield on mining stocks than do investors in this country. Since mines are wasting assets, they consider only a portion of their dividend payments as interest on their investment and the remainder as return of capital. The lower rate on Canadian mining stocks is, however, partly accounted for by the youthfulness of our mines.

Among the many vital differences between South African and Canadian gold mining, is that in the former country there are hardly any of the small companies which supply so much of the speculative element in the Canadian mining industry. Another fundamental difference is that in Canada, vein-bearing rocks are much more erratic than the rocks of South Africa, where gold occurs in reefs. It is, accordingly, much easier to predict the ore reserves and potential life of a mine in South Africa.

A survey by The Financial Post reveals that there are eleven South African gold stocks which at current market prices give a return on investment of over 10 per cent while only one Canadian stock could be placed in this class, the current yield on Teck-Hughes being 10.13 per cent. The yield of these eleven stocks ranges all the way from 10 per cent on Government Areas to 30 per cent on Modder Deep. In addition there are eleven other South African mines which give a yield of more than five per cent.

The yield on the principal dividend-paying gold mines in Canada ranges from five per cent on McIntyre to 10.13 per cent on Teck-Hughes, the average yield being 7.6 per cent. The return on Hollinger is 7.1 per cent, on Dome 9.6 per cent, Lake Shore 5.7 per cent, Premier 9.3 per cent and Sylvanite 9.1 per cent, at the present time.

Silver

Silver markets have remained almost steady during the past week. Transferable notices were first issued in Montreal on Nov. 29, for delivery on the following Monday. A shipment of 740,000 ounces of silver from the American Metal Co. at Chrome, N.J., brought the silver holdings in Montreal warehouses to 2,214,853 ounces.

The present holdings of silver in the United States as at November 26, were made up of 109,000,000 ounces acquired under the Nationalization Act, 18,500,000 ounces purchased from the mines and 74,000,000 ounces acquired abroad. Shipments to the United States, as illustrated by the weekly figures of exports from London, continue to be highly irregular, and any large increases in the total of imported silver are expected to be increasingly more difficult to achieve. However, both silver agitators and observers are watching for developments along the lines of international agreements for future developments in the American silver policy.

Trading in Montreal

(Nov. 27—Dec. 3)

	High	Low	Close	Contracts
Dec.	54.41	53.90	54.00	60
Feb.	55.10	55.10	55.10	18
Mar.	55.45	55.15	54.906	41
May	56.05	56.00	55.60n	15
July	56.75	56.65	56.75	6
Sept.	57.50	57.35	57.00n	3
Nov.	58.20	58.20	58.70	17

London spot—High 24 11/16d. Low 24½d.

New York spot—High 55¼. Low 54⅞.

Decatur Gas Inc. Press Contract With Olga Gas

Further action is to be taken by Decatur Gas Inc. against Olga Gas & Oil Co. under the terms of the contract by which the latter acquired a 51 per cent interest in the properties of the Decatur company. In a letter which is going forward to shareholders of Olga Gas this week, R. W. Evans, president of Decatur Gas Co., Inc., announces that his company has notified the secretary of Olga Gas to call a new meeting of the stockholders immediately and to furnish that meeting with a certified balance sheet of the company to date, with a certified list of receipts and expenditures from Feb. 5, 1934, to date, with a certified copy of the minutes of the directors' meetings since Feb. 5 and a copy of all contracts entered into since Feb. 5. If the management of Olga Gas does not call a meeting, it will be necessary for the Decatur Co. to take action similar to that of a few weeks ago and call a meeting itself, Mr. Evans states.

In his letter to Olga shareholders Mr. Evans gives a detailed report of the meeting held on Nov. 20 when he was unable to get any action from the company on these matters. According to Mr. Evans the combined holdings of the directors of Olga Gas total only 5,902 shares, while his company holds 350,000 shares.

Revival of Interest in The Golds

Lake Shore Kirkland Lake
Macassa
McIntyre
Wright-Hargreaves
Dome
Sylvanite

is discussed in the current issue of the Mining Chronicle from the standpoint of world news. This issue also contains timely comment on some of the leading gold producers.

Copies available upon request.

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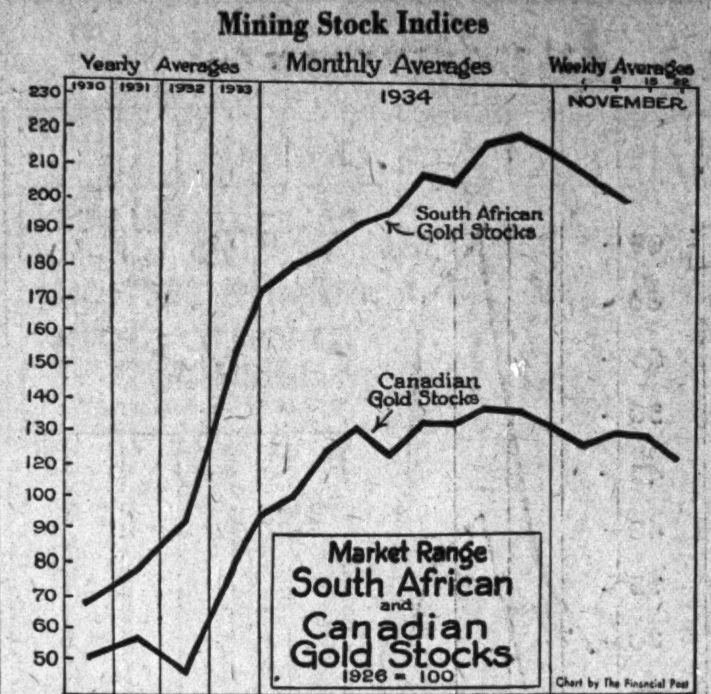

The above chart shows the market trend of Canadian gold mining stocks since 1930 compared with that of South African golds. It is interesting to note that there has been a much greater appreciation in the price of the latter. In the current year the sharp advance in Canadian golds came to a stop in April while securities of South African gold mines continued to rise until October. In making the chart the weighted index of 19 Canadian gold stocks computed by the Dominion Bureau of Statistics and The Financial Times (London) index of South African golds was used.

Price Spreads Enquiry

Commission Restricts Scope in Order to Have Report Ready in January—Textile Industry Will Be Probed, However

From Our Own Correspondent

OTTAWA — Restriction of the Price Spreads enquiry in the hope of making a report available to the government by mid-January and the disclosure of an effort on the part of the commission to mass nation-wide data on corporate business are the highlights of the commission's activity last week.

Restriction of the scope of the enquiry is in the nature of a compromise. The decision was made at a private meeting, so that no official information of what occurred is available. It is learned that some of the commissioners were in favor of carrying on the enquiry, under the new order-in-council, in a wide open manner. Others were for keeping within the bounds fixed by the original order appointing the commission.

Textiles To Be Probed

The compromise is that the commission will keep within the terms of the original order with the one exception of textiles. This industry is now going to be investigated although the thoroughness with which the survey will be made is in doubt.

Questionnaires sent to textile manufacturers last September by the commission have been returned and the information so obtained is being collated. A report based on this information will be given to the commission and if the data is not deemed to be complete, a detailed survey by accountants will follow.

Many Exclusions

The decision excludes from the ambit of the enquiry such industries as gasoline, coal, west coast fisheries, fruit and vegetable marketing, hotels, etc.

With regard to corporate activities, an effort is being made to get together reliable data covering all phases of corporate activity. Questionnaires have been sent out asking for information with respect to capitalization, turnover, profits, payrolls, etc. The information will cover a period of years, enabling a survey of recent trends to be made. This is being done in case the commission desires to include a general statement on this subject in its report.

Activities May Continue

While the present intention is to conclude the enquiry by mid-January and have a report in to the government about the time Parliament opens, it is by no means sure that this will be done. Several members of the commission doubt that the work can be completed in this time.

In addition, the commission may regard a continuation of the enquiry as desirable and urge the government to set up another special committee for this purpose.

Highlights of last week's evidence were:

Chains and Short-Weights

D. J. McLean, superintendent of weights and measures and **Sutherland Cuddy**, inspector of weights and measures, of the department of Trade and Commerce, gave evidence of short weight findings and alleged deceptive packages.

Their statement said that while short weights had always been a problem, it had only become a vital element in retail merchandising of foodstuffs since the chain store organizations had developed.

Packaging of bulk goods for quick handling in groceterias, etc., had aggravated the situation. Shrinkage in packaged goods was given as one cause. It was claimed further that certain chain stores forced their managers to obtain from a bulk shipment of say, 100 lbs., 100 individual pounds of packaged goods. Shrinkage and loss in handling made it almost impossible, it was said.

The growing system of packaging either in cans or in bags or Cellophane wrappers in mixed weights was said to give the consumer little idea of the value of goods being purchased. Thus, 12 oz. were sold at a certain figure, 9 oz. at another, etc.

Manufacturers' Practices

Evidence submitted by **G. A. Gibson,** and **W. H. Woodrow,** chartered accountants, showed that manufacturers selling to chain stores, as a whole, had similar prices to chains and independents but there were volume discounts and rebates for which the independent could not qualify. Volume discounts seemed to be so based as to make attainment difficult for any but chains or department stores.

Manufacturers studied in this survey were referred to by letter only (A, B, C, etc.). The general system of discounts, advertising allowances, etc., was explained.

Wages, Cut-Rates

Joseph T. Crowder and Charles W. Rump, described as merchandising counsel, gave results of a study of loss leaders and wages. Mr. Crowder was formerly Dominion chairman of the Retail Merchants Association.

Peter White, K.C., (for Loblaws), objected to conclusions drawn in the evidence charging chain stores with being sweat shops. Said investigators were usurping duties of commission.

Mr. Crowder said chain drug stores were selling nationally advertised goods at prices lower than independents could possibly reach. Many examples of selling at cost were given.

Evidence on wages given by Mr. Rump took numerous examples of low wages paid by chains to full-time employees, mostly dishwashers, messengers, etc. Wages of $6 for married men for a full week were quoted.

Wages of Independents

H. S. Whiteley, of the Dominion Bureau of Statistics, gave evidence on wages paid by independent stores. Evidence was solicited from representative stores throughout Ontario, not collected as was evidence of chain stores. Wages were shown to be much higher than the average for chain stores.

Peter White objected to the evidence, quoting from the 1930 census report which showed average wages of retail store employees at less than $10 a week.

Foreign Exchange Markets

STERLING has had another period of weakness with an accompanying rise of the price of gold in London. This is attributed to increased transfers by British importers of goods and securities and to some repatriation of American capital. The pound is still in its period of normal seasonal weakness so that cessation of the flow of nervous money to London would be expected to result in some softness. The Canadian dollar, as would be expected, followed the pound.

Sentiment appears to be growing in favor of some form of currency stability. The difficulty of carrying the international recovery further without currency stabilization, however, has not received wide public recognition.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Nov. 27	Nov. 28	Nov. 29	Nov. 30	Dec. 1	Dec. 3
U. S. dollar, High	.5906	.97 11/16	.97 11/16	.97⅝	.97 11/16	.97 11/16	.98 1/16
Low	.5906	.97 7/16	.97 7/16	.97 11/16	.97 7/16	.97 11/16	.97 11/16
1933 High	1.000	.99⅜	.98 11/16	.98½	.98½	.98 1/16	.98⅞
Low	1.000	.99 1/16	.98¼	.98	.98¼	.98	.98¼
U. K. pound	4.8665	4.85¾	4.86¾	4.86¼	4.86	4.86½	4.86
Argentina	.4246	.2452	.2468	.2468	.2456	.2456	.2461
Australia	4.8665	3.8620	3.8724	3.8724	3.8677	3.8677	3.8665
Austria	.1407	.1844	.1849	....	.1849	.1853	.1857½
Belgium	.1392	.2272	.2277	.2279	.2279	.2284	.2292
Brazil	.1963	.0696	.0698	....	.0703	.0704	.0696
Czechoslovakia	.0296	.0407	.0408	.0408½	.0408	.0409	.0400
Denmark	.2680	.2170	.2172	.2174	.2171	.2172	.2171
France	.0392	.0642	.0643½	.0643¾	.0643½	.0644	.0646
Germany	.2382	.3915	.3924	.3929	.3923	.3932	.3941
Greece	.0130	.0092	.0092¼	.0093	.0092¼	.0092⅛	.0092¾
Holland	.4020	.6581	.6599	.6602	.6598	.6613	.6627
Hungary	.1749	.2896	.2903	.2905	.2903	.2910	.2916
India	.3650	.3704	.3708	....	.3703	.3709	.3710
Italy	.0526	.0830	.0832	.0833½	.0832	.0834	.0835
Japan	.4985	.2862	.2866	.2867	.2864	.2870	.2872
Jugoslavia	.1929	.0222	.0222½	.0223	.0222	.0223	.0224
New Zealand	4.8665	3.8775	3.8880	3.8880	3.8831	3.8832	3.8819
Norway	.2680	.2441	.2445	.2446	.2444	.2447	.2445
Poland	.1122	.1850	.1849	.1849	1.849	.1857	.1863
South Africa	4.8666	4.8449	4.8580	4.8580	4.8519	4.8520	4.8504
Spain	.1929	.1331	.1334	.1335	.1334	.1337	.1339
Sweden	.2680	.2506	.2511	.2513	.2506	.2510	.2507
Switzerland	.1930	.3156	.3164	.3166	.3167	.3177	.3184
Hong Kong	.5422	.4088	.4089	.4090	.4089	.4103	.4107

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Preferred Stock With 6 Years Arrears Now Senior Issue

EXPENSES JUMP

Marcus Loew's Theatres, Ltd., statement for the period from January 5, 1934, to August 30, is noteworthy in several respects. First, in that period its receipts from all sources were greatly in excess of the total for all of 1933; second, its payments of salaries and wages, its costs for films and for other operating expenses exceeded those for the 12 months preceding; and third, it moved the preferred stock up into the position of being the senior security by paying off the balance of $86,000 due on the six per cent first mortgage bonds.

Preferred dividends are in arrears from March 31, 1928. Only one quarter's dividend was paid in 1934 on the $653,900 seven per cent cumulative preferred. However, the full year's dividend requirement is only $45,773 and the company added $85,190 to surplus after paying dividends for one quarter. Apparently prospects are brighter than for two years. Large arrears referred to were piled up in 1922, 1923, 1924 and 1933. Partial additions were made in 1925, 1931, 1932 and 1934.

The following comparative statement of income and surplus for the last two periods shows that write-offs to depreciation, movietone installation (the latter being written down to $1) and to tax reserves were all larger than in 1933.

Income and Surplus Account Years Ended

	Jan. 5, 1933 to Aug. 30, 1934	Jan. 5, 1933
Revenue:	$	$
Ticket receipts	474,978	368,553
Sundry revenue	1,435	1,350
	476,413	369,903
Less: Sundry exp.	97,742	54,936
Salaries and wages	66,426	46,442
Films	146,367	117,614
Earnings from oper.	165,878	150,911
Add: Rent received	93,974	56,001
Int. earned	4,959	2,214
Total earnings	264,811	209,126
Less: Oper. expenses	81,462	52,208
Net earnings	183,349	156,918
Less: Depreciation	48,599	32,624
Bond interest	4,651	6,314
Mortgage int.	3,341	2,093
Bond discount w/o	1,147	1,147
Movie inst. w/o	8,174	6,296
Tax reserve	15,940	12,637
U. S. exchange	4,864	7,700
Net profits	96,633	88,107
Pref. dividends	11,443	......
Surplus for year	85,190	88,107
Prev. surplus	571,115	483,008
Balance carried for'd	656,305	571,115

Working Capital

	1934	1933
	$	$
Current assets	163,321	118,184
Current liabilities	14,904	19,537
Working capital	148,417	98,647
Ratio	10.9—1	6.05—1

Gets Higher Rental

The item of rent shown above refers to the Uptown Theatre at the corner of Yonge and Bloor Sts., Toronto, and it indicates that Famous Players Canadian Corp., lessees, are now paying a rent of $93,974 for the short period as against $56,001 in 1933. In 1933 Loew's made a new agreement with Famous Players, abandoning its right to a share in excess profits but getting a higher rental.

Though bonds are paid off, there remains an item of $32,353 due on mortgage payable on Uptown Theatre. Depreciated value of this theatre is now shown at $579,113 and of the Yonge St. theatre at $573,669. Intangible items of $750,000 for goodwill and booking rights and of $30,000 for organization expenses are still shown.

LOEW'S LONDON ATTENDANCE UP, EXPENSES GAIN

Writes Off All Movietone Installation—Two Years Arrears Due

How far attendance has recovered for the larger moving picture theatres may be seen in the financial statement of Loew's London Theatres for the period from January 5 to August 30, 1934. In the whole year to January 5, 1934, the company's total receipts were $144,998, but in the first eight months of 1934 the receipts from all sources were $212,296. As every item of expense for salaries, wages, films, taxes, is shown to be higher, including a larger write-off for depreciation and movietone installation, net profit for the eight months is only $12,041 as compared with $19,594 for 1933. Preferred dividends paid were less than in 1933 and a slight surplus of $232 was added to surplus brought forward, which now stands at $12,144. Arrears exceed two years.

Income and Surplus Account Years Ended

	Jan. 5, 1933 to Aug. 30, 1934	Jan. 5, 1933
Rev. from theatre:	$	$
Ticket receipts	211,715	144,701
Sundry revenue	581	297
	212,296	144,998
Less: Sundry expenses	51,933	27,788
Salaries and wages	36,791	25,779
Films	56,697	33,652
Net theatre revenue	66,875	57,779
Add: Rent received	100	60
Int. and exch. rec.	2,556	1,491
Total revenue	69,531	59,330
Less: Taxes and insur.	20,299	13,046
General expenses	5,022	3,205
Directors' fees & exps.	5,605	3,265
Repairs and renewals	4,317	2,380
Net earnings	34,288	37,434
Less: Depreciation	13,104	9,424
Movietone install. w/o	7,260	5,441
Res. for income tax	1,883	2,975
Net profit	12,041	19,594
Less appropriations:		
Pref. dividends	11,809	17,715
Surplus for year	232	1,879
Add: Prev. surplus	11,912	10,033
Balance forward	12,144	11,912

Working Capital

	1934	1933
	$	$
Current assets	55,063	36,939
Current liabilities	2,608	4,603
Working capital	52,455	32,336
Ratio	21.1—1	8.02—1

During the eight months, movietone installation was finally written down to $1 and amounts spent for renovation of theatre written down to $793.

Real estate, buildings and equipment depreciated value is now shown at $274,478, the amounts written off to date totalling $172,501.

Mining Stock Quotations

Week Ending November 30.

Par Val.	Range 1934 High	Low	Company	Sales	Close Nov. 26 (or last)	High for week	Low for week	Close Dec. 3
1	.06	.00¾	Aconda	1,000	.01	.01	.00¾	.00¾
No	.33	.06½	Aldermac	6,700	.08½	.08	.07½	.07½
1	.10	.01½	Alexandria	18,700	.01½	.02	.01½	.02
No	.18	.02½	Algoma	19,500	.04½	.04½	.03½	.03½
1	.04	.01	Amity Copper	2,000	.01½	.01	.01	.01
No	4.51	2.00	Anglo-Huronian	1,245	3.85	3.85	3.57	3.57
1	.08½	.02	Area	......	.02	......	......	......
No	.20	.01½	Arno	......	.01½	......	......	......
1	1.25	.15	Ashley	900	.16	.18	.16	.17
1	.18	.02	Astoria Rouyn	5,000	.03	.02½	.02	.02
1	.60	.04	Bagamac	26,450	.05½	.06	.05½	.05½
1	.04½	.00¾	Baldwin	15,500	.01½	.01½	.01½	.01½
1	.22	.07	Barry Hollinger	9,500	.08	.08	.07	.07½
1	2.05	.61	Base Metals	17,250	.65	.66	.61	.64
1	.91	.16	B.E.A.R.	34,450	.21	.21	.17½	.18½
No	2.45	1.90	Beattie Gold	2,760	1.95	1.95	1.90	1.95
1	.51	.26½	Big Missouri	5,985	.32	.31	.29	.30
1	.75	.23	Bobjo	20,925	.28	.29	.25½	.26
1	3.72	1.70	Bradian	650	2.40	2.40	2.25	2.25
No	17.00	9.90	Bralorne	3,585	12.80	13.25	12.50	12.50
1	1.50	.10	Brazil Gold	7,300	.10	.35	.14	.25
1	.16	.02	Brett Trethewey	......	.02	......	......	......
50c	1.41	.16	Bridge River Ex	4,700	.27	.27	.26	.26
1	.09	.01½	Brownlee	24,000	.01½	.02	.01½	.01½
1	.02½	.00¾	Buckingham	......	.00¾	......	......	......
1	3.98	1.90	Buffalo Ankerite	2,950	2.70	3.10	2.65	2.90

Par Val.	Range 1934 High	Low	Company	Sales	Close Nov. 23 (or last)	High for week	Low for week	Close Nov. 30
25c	5.90	5.25	Hecla	......	5.90	......	......	......
50c	.34	.15	Hedley Amal	9,700	.21	.23½	.20	.23
No	.29	.05	Hedley Sterling	1,000	.07	.05	.05	.05
1	.09½	.02	Hercules Cons	40,800	.02½	.02½	.02	.02
No	.28	.07	Home Gold	32,300	.10½	.14	.10½	.12½
1	.04	.01½	Independence	6,000	.01½	.01½	.01½	.01½
1	.04	.01½	Indian Mines	......	.01½	......	......	......
1	.21	.10	Inter'l Coal	......	.15½	......	......	......
1	.42	.20	Jack Waite	......	.25	......	......	......
50c	.65	.19	Kootenay Belle	12,550	.61	.60	.58	.60
25c	.02	.00½	Kootenay King	......	.00½	......	......	......
1	.01½	.00½	Lakeview	40,000	.01½	.01½	.01½	.01½
10c	.06	.02	Lucky Jim	......	.02	......	......	......
No	.40	.11	Mak Siccar	2,000	.19½	.19½	.19½	.19½
50c	.01½	.00½	Marmot Metals	......	.00½	......	......	......
1	.14	.09½	McGillivray Creek	......	.13	......	......	......
10c	.33	.08	Meridian Min	6,600	.10½	.10½	.10	.10
5c	.04	.03½	Metaline Metals	......	.03½	......	......	......
No	.85	.13	Minto Mines	52,150	.16½	.18	.16½	.17
1	.27	.26	Mont'y Ackerman	......	.27	......	......	......
50c	.46½	.08½	Morning Star	2,700	.10	.11	.10	.10
1	.05½	.00½	Morton Woolsey	1,000	.01	.01½	.01½	.01½
50c	.09	.03	National Silver	8,000	.04	.04	.03½	.04
50c	1.36	.10	Nicola	10,150	.11	.11	.10	.10½
50c	.17	.06½	Noble Five	10,900	.07	.07½	.07	.07
1	.54	.12½	Pavilion	600	.40	.38	.35	.35

Par Val.	Range 1934 High	Low	Company	Sales	Close Nov. 23 (or last)	High for week	Low for week	Close Nov. 30
No	1.20	.23	Taylor Bridge	143,150	.29	.47	.29	.33
1	.65	.10	Taylor Windfall	4,700	.18	.15	.10	.15
5	.25	.20	Torio	......	.20	......	......	......
1	.10	.10	Utica Mines	......	.10	......	......	......
50c	.35	.04½	United Empire	24,100	.11	.16	.10	.10
No	3.50	.35	Vidette Gold	15,000	.52	.55	.50	.51
No	.21½	.03	Viking Gold	2,000	.03½	.03½	.03	.03
No	.27½	.02	Waterloo Gold	7,000	.02	.03	.03	.03
25c	.03	.01	Waverly Tangier	3,500	.01	.01	.01	.01
50c	.47	.06½	Wayside	12,500	.09½	.10	.09½	.09½
20c	.03½	.01½	Wellington	......	.01½	......	......	......
No	.44	.16	White Eagle	......	.16	......	......	......
1	.10½	.04	Whitewater	1,000	.05	.04½	.04½	.04½

OIL STOCKS

Par Val.	Range 1934 High	Low	Company	Sales	Close Nov. 23 (or last)	High for week	Low for week	Close Nov. 30
1	.15½	.06	Amalgamated	1,000	.08	.07½	.07½	.07½
1	.08	.03	Anaconda	......	.04	......	......	......
1	.10	.07	Brit. Dominion	......	.09	......	......	......
1	.11½	.03	Crow's Nest	3,300	.07½	.08	.07	.07½
No	.09½	.01½	Devenish	......	.01½	......	......	......
No	.01½	.00½	Fabyan Pete	......	.00½	......	......	......
No	.15½	.05	Freehold	......	.06	......	......	......
No	.13	.04	Hargal	......	.04	......	......	......
No	.35	.12½	High Sarcee	6,300	.15	.16	.15	.16
No	.05	.00½	Madison	......	.00½	......	......	......
No	.35	.05	Marjon Oil	3,850	.14	.14½	.14	.14
No	.05½	.02	McD. Segur Ex.	4,000	.02½	.02½	.02½	.02½
1	.47	.25	McLeod	814	.38	.36	.36	.36
No	.22	.10	Mercury	10,550	.13	.12½	.11½	.12½
No	.22	.09	Mill City Pete	100	.10½	.09	.09	.09
No	.18	.04½	Okalta	2,000	.04½	.05½	.05½	.05½
100	30.00	18.00	Do., pref.	......	30.00	......	......	......
No	.17	.04½	Pacalta Oil	17,500	.07½	.06½	.06½	.06½
1	.85	.14	Ranchmen's	6,050	.71	.85	.75	.80
No	.04	.02½	Richfield	......	.02½	......	......	......
1	.42	.20	Spooner	......	.30	......	......	......
No	.11½	.03½	United	1,050	.03½	.04	.03½	.03½
No	.50	.06	Vanalta	1,000	.06	.06½	.06½	.06½
1	.20	.10	Vulcan	......	.14	......	......	......
1	.35	.07½	Wellington Oil	......	.08	......	......	......

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas	2c.	.....	McIntyre	$2	4.93
Ajax Oil	8c.	9.30	McKinley Mines†	2½c.	.....
Anglo-Huronian†	40c.	.....	Mercury Oils‡	4c.	.....
Bralorne	60c+20c.	6.40	Merland Oils	5c.	.....
Buff. Ankerite	10c.	3.44	Model Oils	3c.	.....
Bulolo Gold‡	90c.	.....	Nipissing	12½c.	.....
Coast Brew.	92c.	7.36	Noranda‡	$1	.....
Coniagas‡	12½c.	.....	Nor. Canada‡	2c.	.....
Cons. Smelters	1.00	.....	Petrol Oil‡	3c.	.....
Dome Mines	$2+$1.50	9.58	Premier	12c.	9.53
Falconbridge	7½c.	.....	Pioneer, B.C.	80c.	7.17
Hollinger	65c.+65c.	7.14	Reno	3c.	.....
Howe Sound	$3	.....	Royalite	50c.	3.12
Howey Gold	10c.	.....	San Antonio	5c.	.....
Int. Coal & Coke‡	1c.	.....	Siscoe	12+5c.	6.90
Inter. Mining	15c.	.....	So. Amer. Gold	10c.	.....
Int. Nickel e	15c	.....	Sylvanite	20c.	9.00
Kirk. Lake†	3c.	5.35	Teck-Hughes	8c.	10.00
Lake Shore	$2+$1	5.76	Toburn	8c.	.....
Macassa†	5c.	2.15	Wright-Har.	40+20c.	7.50

‡ Interim † Initial

Unlisted Mining Stocks

December 4, 1934

	Bid	Asked		Bid	Asked
Afton	.22	.25	La Roche	..	.13
Ardeen	.22	.25	Lafayette L. Lac.	.02	.03
Arntfield Gold	..	.60	Langmuir	..	.35
Arntfield Synd.	..	.63	Long Lac Lagoon	..	.10
Atnel Mines	.23	.26	Lamaque Gold	1.00	1.05
Bailor Gold	.01½	.02½	Lake Caswell	.40	.45
Bankfield Gold	.43	.45	MacFarlane L. Lac	..	.05
Bathurst	.02½	.03½	MacL. Cockshutt	.09½	.10½
Big Long Lac	..	.09	Magnet Lake	.06	.08
Bousquet Gold	.16	.18	Marbuan	.55	.59
Bur-Ley Long Lac	..	.22	Matachewan Can.	.13	.15
Bidgood Cons.	.01	.02	Metals Devel.	.02½	.03½
Brennan Kenty	..	.30	Murwood	..	.23
Can. Pandora	.11	.13	Mosher Gold	.03	.03½
Canusa Mining	.05	.07	Normetal	.20	.30
Casey Summit	..	.13	Normont	..	.09
Cent. Porc.	..	.30	North Shores	.10½	.11½
Chromium M. & Smelt.	.51	.55	Oklend	.25	.27
Cochenour Will	..	100.00	Payore Mines	.31	.35
Columario	..	.09	Pontiac Rouyn	.20	.30
Continental Kirk.	..	.05	Queen Lebel	..	.09
Crown Reserve	.02½	.03½	Red L. Goldshore	.20	.22
Cuniptau	..	.25	Rice Lake	.04½	.06
Dunlop Cons.	.01½	.01½	Sakoose	.20	.22
El Bonanza	.10	.11½	Scullers Gold	12.00	15.00
Forty-Four Gold	10.50	11.50	Shawkey	.25	.27
Goldside	..	.15	Sigma	1.50	2.25
Gold Eagle	.24	.27	Smith Cobalt	..	.14
Gr. Bear Lake M.	.14	.16	Smelter Gold	.15	.16
Gabrielle	.53	.59	Springer Sturgeon	..	.12
Grierson Stur.	.21	.25	Sturgeon River	..	4.00
Hardrock Un.	20.00	30.00	Tashota Goldfield	.38	.45
Hardrock	.24	.28	Thom.-Cadillac	.02½	.03½
Hislop	..	.20	Tiblemont Island	.47	.51
Herbin Lake	16.00	19.00	Toburn	1.19	1.23
Hudson Pat.	.14	.15	Wendigo	..	.60
Johnson Nip.	.06	.08	Wells L. Lac	.10	.12
Karl Springer	1.25	1.75	West Red Lake	..	.15
Kirk. Gold Belt	..	.14	Wingold	.14	.16
Keyroc Gold	..	.07	Young David	.17	.19
			Ymir Y. Gold	.35	.39

Source of quotations on application. Not guaranteed.

Winnipeg Stock Exchange

(Transactions from Nov. 21 to Dec. 1)

Div. rate in $	yield in %		Sales	High for period	Low for period	Close Dec. 1
..	..	Bailor	2,000	.02	.02	.02
..	..	Gabrielle	850	.56	.44	.48
..	..	Kingfisher	200	.10	.10	.10
..	..	Island Lake	15,450	.05	.03¾	.04
..	..	Manitoba Basin	500	.02	.02	.02
..	..	McLeod Cockshutt	100	.10	.10	.10
..	..	Oro Grande	2,000	.06½	.05½	.06
..	..	Oxford Lake	25	2.75	2.75	2.75
..	..	Rice Lake Units	5	5.00	5.00	5.00
..	..	Rice Lake Shs.	500	.06	.06	.06
..	..	Ranger	150	.25	.25	.25
..	..	Northern Mortgage	20	4.00	4.00	4.00
..	..	Smelter Gold	500	.15	.14	.15
6.50	10.4	Reliance Grain pfd.	25	62.50	62.50	62.50
..	..	Shawkey	500	.27	.27	.27
..	..	Vanson Manitoba	700	.26	.22	.22
1	..	United Grain Gr.	41	11.75	11.00	11.75
..	..	Traders Bldg.	15	60.00	60.00	60.00
..	..	Wingold	900	.17	.14	.14

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Pelissiers, pref.	..	20
Beaver Lumber, c.	3	3½	Sov. Life, 25% pd.	..	14
Beaver Lumber pfd.	..	63	West. Breweries	1½	2
Canadian Fire	70	..	Can. Amer. Tr. sh.	2.45	2.70
Great West Life	400	..	Can. Inv. Fund	..	3.43
Home Investment	20	..	Fundamental Ser. A	4.10	4.60
Monarch Life 10% pd.	18	..	Fundamental Ser. B	3.85	..
Northern Trust	..	15	Grouped Inc. shs.	..	4.05
Pelissiers, com.	.25	..			

Listed Bond Quotations

Week Ending December 3, 1934

	Int. Rate	Due	Latest Yield	Bid	High	Low	Range 1934 High	Low
Mtl. L.H. & P. debs.	3	1939	3.48	48	48½	47½	48½	43
Mtl. Trams	5	1941	5.17	...	99	...	101½	97½
Do. (B)	5	1955	7.27	...	75½	..	75½	75½
McNish	6	1942	...	3.20	3.75	..	4.25	3.75

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and in its mining quotations elsewhere in this issue, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

NORTHERN CANADA
MINING CORPORATION,
LIMITED
Invests in Canadian Mines and
Mining Properties
J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

J. E. Grasett & Co.
MEMBERS
TORONTO STOCK
EXCHANGE
302 Bay St.
TORONTO
WAverley 4781
Branch Office:
Dundas & Keele Sts.
Ju. 1167

Central Porcupine Signs Contract With Hydro

Central Porcupine Mines informs The Financial Post that 1,000 ft. of crosscutting has now been completed on the company's gold prospect in the Porcupine district. This work has been concentrated on the 1,000 ft. level. This crosscut has been driven under contract with Coniaurum Mines, pending the delivery of power. G. G. Blackstock, secretary, states that a contract has been signed with the Ontario Hydro Power Commission for delivery of power, which should be available in the course of the next two or three months. Mr. Blackstock states that $250,000 in cash has been subscribed and paid into the treasury of the company.

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COAL RESOURCES OF B. C. PROMISED THOROUGH AIRING

Vital Question of Foreign Competition to Get Gov't Probe

From Our Own Correspondent

VANCOUVER. — Half a century ago British Columbia coal from Vancouver Island Crows Nest and Nicola was sold in the Orient and as far south as Mexico and as far north as Alaska. Today the market is much more restricted, and even in the home field sales of coal have declined owing to the increasing use of oil for fuel and, within the last few months, the growing consumption of sawdust. Competition has been B.C.'s problem.

Another angle of the fuel supply relates to gasoline consumption. It has frequently been charged, and as often denied, that the price of gasoline in British Columbia is exorbitant.

So often have these charges been made, and so repeatedly have the coal operators protested against foreign oil, that the provincial government has determined to make an investigation into the whole subject. Mr. Justice M. A. Macdonald will conduct the enquiry. It had been supposed that an enquiry such as this had already been undertaken by the advisory council or "brain trust" appointed last year by Premier Pattullo, but apparently the government wants a more thorough canvassing of the situation. Judge Macdonald will have his report ready for the legislature when it meets in January, and legislative action is likely to follow.

To Probe Whole Field

The government plans to look into questions such as cost of production, transportation and distribution. The earnings of producers, middlemen, transportation agencies and retailers, will be investigated, and also the capital setups of the companies concerned.

The government naturally favors the coal industry as against oil, because no oil is produced in this province whereas coal has always been a basic enterprise; but it does not wish to cripple future development by unduly favoring coal if it is found that economic development is not furthered by such a course.

Bullion Movement in United Kingdom

The following were the United Kingdom imports and exports of gold registered from mid-day Nov. 12 to mid-day Nov. 19:

Imports

Netherlands	£ 8,549
Belgium	52,880
France	3,683,716
Switzerland	6,585
British South Africa	873,119
British Malaya	19,179
British India	1,696,013
Venezuela	10,409
Argentine Republic	10,000
Australia	220,413
New Zealand	9,248
British West Africa	44,207
Other countries	13,535
	£6,647,853

Exports

Netherlands	£ 127,700
Belgium	285,746
France	98,794
Switzerland	5,349
U. S. A.	1,484,836
Venezuela	162,200
Other countries	227
	£2,164,852

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Mining Industry Vanguard In British Columbia Revival

Despite Dull Base Metal Picture, Mineral Production for 1934 Will be Close to 20-year Average — Gold Volume High

From Our Own Correspondent

VANCOUVER.—Gold production in British Columbia will set a new all-time high this year, and the total mineral output of the province will be close to the twenty-year average, according to figures just prepared by the government. Volume of production may set a record, but values will show a considerable drop from the high year, 1929, when metal prices were high.

According to Dr. J. F. Walker, recently appointed provincial mineralogist, mineral production of all kinds will total $41,863,000 this year, or 28.4 per cent higher than last year. In 1929 the value of production was more than $68,000,000, but the present year's total will be far and away ahead of all the subsequent "depression" years.

Gold will show a 50 per cent increase over last year. In Canadian funds the value is set down by government estimates at $10,430,000. Lode mines are expected to yield 286,700 ounces and placer fields 21,000 ounces. Average price of gold this year is computed at $34.48 as against $28.60 last year.

Leads "Come-back"

Mining has staged a much greater comeback than all other basic industries of the province, with the possible exception of lumbering.

Dr. Walker states that figures available indicate that during a mining boom slightly more money is put in the ground than is taken out in dividends, but that in normal years such is evidently not the case. Eighty-three mining companies incorporated in 1933 have received about $4,709,000 so far. He estimates that the public probably paid about $12,500,000 for the shares issued for the $4,709,000. Four companies paid dividends last year totalling $2,925,000 and this year the same companies would pay dividends aggregating $4,443,000.

The premium over the standard price of gold will be $4,197,000, as against $1,928,000 last year, and about $566,000 the previous year. Obviously, the rise in the price of gold has been chiefly responsible for the high value and heavy output of gold.

In the basic metals the picture is not so bright. Lead, second to gold, will be valued this year at about $8,313,000. In 1929 the values hit the high mark of $18,000,000. There is small consolation in the fact that B.C. produced a greater volume of lead this year than ever before. When the figures are finally tallied, the total should be about 341,000,000 pounds, as against the previous record of 320,000,000 pounds in 1930.

Zinc is third on the list, valued at $7,674,000, compared with the record of $10,580,000 in 1926. Here again volume has been the highest on record, slightly above that of 1930, of 250,287,000 pounds.

Even coal, sick sister of the mining family in B.C., shows a 5 per cent upturn this year. Total value will be about $5,682,000.

Silver is produced largely as a by-product of lead and zinc mining, so the silver figures are dependent a good deal on the prevailing price for the base metals. Higher silver prices would bring a few small silver properties into production, but their output would probably not have an important effect on the total. The big mines like Sullivan are the silver factor chiefly worth consideration, and lead and zinc are the metals that govern Sullivan.

This year, however, silver made important gains. Value is estimated at $4,197,000, an increase of 58 per cent over last year.

Potency of Co-operation Shown By Smelters Head

Blaylock Urges This Method as Best Cure for Labor Troubles

From Our Own Correspondent

VANCOUVER.—Consolidated Mining & Smelting Co. has always been a strong believer in giving the little fellow a chance. Not only has it often placed a protective wing over many minor mining operations which otherwise might have found the going hard, but it has always favored a system of partnership with its 5,000 employees. Through its efficient co-operative committees it has given its workers a voice in the administration of company affairs, and after 16 years of trial it has found this policy indispensable.

S. G. Blaylock, vice-president and managing director of the big British Columbia mining organization, is probably more responsible than any other individual executive for bringing about the long standing happy condition of affairs between management and men. Consequently, when he addressed the Vancouver Board of Trade recently on "Industrial Relationship" his observations were accepted as something more than the theorizing of an idealist. His address was regarded as a significant outline of how one of Canada's greatest corporations is meeting one of the most difficult problems of the day.

Socialism and Millenium

"As long as we have human individualism, human ambitions, human hopes and fears," warned Mr. Blaylock, "successful Socialism is as far off as the Millenium. In these days of EPIC and Utopia we have to be careful in what we say on industrial relations. When I advocate taking the working man into the industrial family I do not advocate Communism or Socialism or any other 'ism.' I merely advocate common sense. You can no more have Communism and Socialism than you can persuade every woman to buy the same kind of hat."

Mr. Blaylock does not subscribe to the theory that high mechanization of industry has been responsible for the world's economic troubles. Mechanical weaving machines had been blamed for the depression in Britain after the Napoleonic wars, yet every sane person would agree that these machines had played a fundamental part in the industrial prosperity that followed.

Nor does Mr. Blaylock believe that government operation of industry is a sensible panacea. Canada's experience with the Canadian National Railway should prove the fallacy of this idea, he thinks.

Labor Must Assist

While believing that purchasing power of the various workers should be reasonably equal, Mr. Blaylock does not consider that this objective can possibly be attained by legislation. In fact, he believes that most of the labor legislation in recent years is tending to emphasize the difference between the wages received by the highly organized classes of labor and those received by the unorganized or poorly organized classes. It is essential, therefore, that labor itself must become convinced and must assist in this part of the programme. The brains of labor and of management had been largely devoted to fighting each other in the past. Combat should give way to co-operation, and in enlightened corporations this was now actually taking place, said Mr. Blaylock.

"For sixteen years," he said, "our company has been carrying these ideas into effect. During that time profit-sharing bonuses have had to be withdrawn when necessary and reinstated when possible. On the whole, wages have been substantially increased. Group insurance and pensions have been provided free of charge to the worker. Prices of nearly all supplies have increased, but the cost of living has been considerably reduced. We have been able to carry every one of our 5,000 employees through the depression."

Dropping Unions

Mr. Blaylock said he had no objection to unionism and his company had been fully organized sixteen years ago, but the men had been gradually dropping the unions, realizing that the co-operative system had greater possibilities. In the co-operative committee system each department elected a representative to the committee, which in turn appointed its own chairman, secretary and sub-committees. While the duties were to help the management run the plant safely and fairly, they took on all the activities of the workmen. They investigated grievances and discussed every possible angle of plant relationship. Without such committees any company would be subjected to every kind of disrupting propaganda without any counteracting agency.

"Once a committee becomes really established," said Mr. Blaylock, "agitators of all sorts find their wares have no sale. If industries generally adopted this plan, the working man can be shown that universal employment depends largely on bringing the wages of the various industries more nearly into line. Then there will be a decided tendency to stop trying to increase wages and shorten hours in those industries already fair, and a willingness on the part of the worker to help bring up the wages of those who are underpaid."

Bulolo Gold Completes Bulowat Burnside Deal

From Our Own Correspondent

MONTREAL. — Bulolo Gold Dredging has made final settlement for the Bulowat Burnside areas by payment of 20,000 fully paid up shares of Bulolo Placer Development Ltd., according to a statement issued by Charles A. Bank, managing director.

Subject to the approval of shareholders of the two companies, a general meeting is to be held at an early date. Placer Development has also agreed to transfer to the Bulolo Co. the whole of the Arnold property in consideration of allotment of 5,000 fully paid shares of Bulolo.

Matachewan Con. Brings New Mill Up to Capacity

From Our Own Correspondent

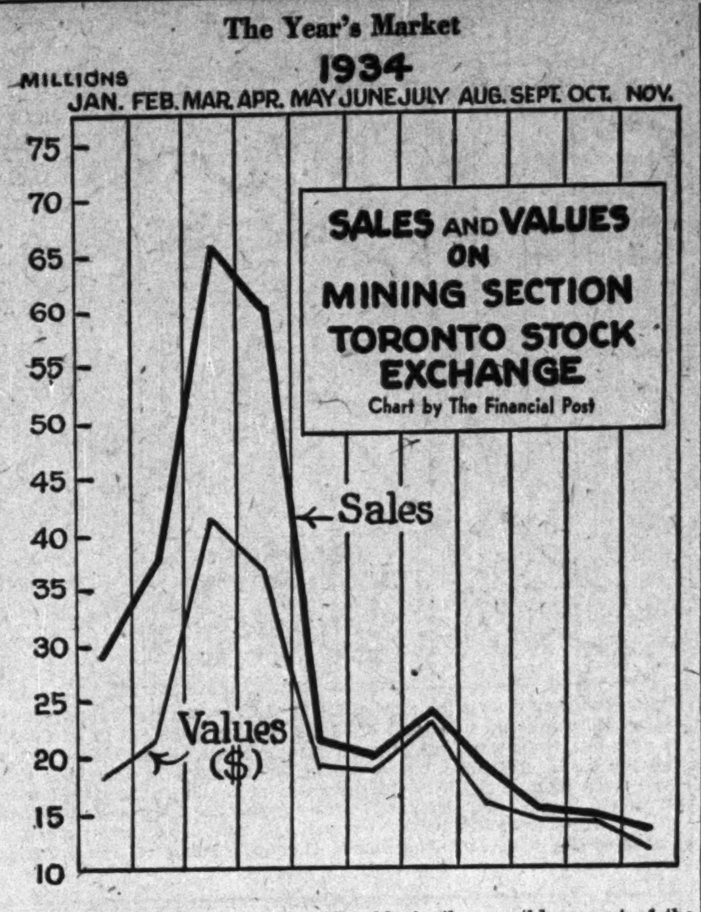
SUDBURY. — The new 100-ton cyanide mill placed in operation a few weeks ago at the property of Matachewan Consolidated Mines in the Matachewan mineral area was brought up to capacity at the first of this month. Officials state that the company is well satisfied with the performance of the plant up to date.

The mine was taken over from the Canadian Matachewan Gold Mines over a year and a half ago, and Matachewan Consolidated commenced development in May, 1933. After exploring the underground workings and putting considerable tonnage of low-grade ore in sight on the 160-ft. level, the milling plant was decided upon and was constructed last summer. Ventures and Sudbury Basin Mines are sponsoring the operations under an arrangement with Canadian Matachewan, and Ernest Craig, general manager of Falconbridge Nickel Mines, is consulting engineer.

Burroughes Long Lac Synd. Now in Sturgeon District

E. C. Burroughes, manager of Burroughes Long Lac Mining Syndicate informs The Financial Post that work has been suspended on the syndicate's property in the Long Lac area and that a small crew of men are at present engaged in surface work on a group of 12 claims, owned by the company in the Sturgeon River area. Mr. Burroughes stated that work would not be resumed on the Long Lac property at least until the spring.

The Year's Market



A decline of 1,000,000 shares is noticeable in the monthly report of the Toronto Stock Exchange which gives mining sales on the exchange for November at 13,334,624 shares. Values of transactions during the month were $2,500,000 lower at $11,873,320. That senior golds were least affected by the unsettling events of the month is indicated in the disproportionate decline in values of transactions as against sales. Against this, the centre of trading reversed October's trend by shifting from the higher and secondary gold to the juniors and to a certain extent several of the silver issues.

Better figures in the London market for silver, lead and zinc gave this section an early upward trend. This trend, however, was later dissipated by a sympathetic reaction with the gold stocks.

BANKFIELD GOLD NOW USES POWER IN SINKING SHAFT

First Objective at Little Long Lac Property 300 ft.

From Our Own Correspondent

SUDBURY.—After attaining a depth of about 30 ft. with hand steel, shaft-sinking at the property of Bankfield Gold Mines, in the Little Long Lac area, was commenced by power last week-end. The first objective is understood to be 300 ft. with the cutting of two working stations. The shaft is located slightly to the north of the south zone which was drilled over a length of approximately 700 ft., showing a grade of $10.83 over eight to nine ft. in width.

The mining plant has been set up and is ready for the campaign of underground development. The south zone vein will be explored from the new shaft, and in the meantime winter drilling will be undertaken on the north zone, which was the original discovery. Some drilling done by Wells Long Lac on the east side of the Bankfield line has drawn particular attention to this vein.

SULLIVAN MINE OPENS NEW VEIN

Going Ahead With Plans for Development of Townsite

From Our Own Correspondent

MONTREAL. — Sullivan Consolidated Mines has opened up a new ore section on the northwest drift on the second level, Harry A. Kee, general manager reports to the company, which in turn reports to the Montreal Curb Market. This ore which has been opened up for a length of 100 feet to date covers the full width of the drift with indications of greater length and width.

Development work has been increased to give the management a better conception of the extent of this new ore which has heretofore not been indicated. Ore which has been taken to date from development of this section averages better than $20 per ton.

At the same time, A. H. Paradis, president of the Sullivan, announces that plans have been completed for the establishment of a townsite at Sullivan to serve this property and adjoining district. Mr. Paradis said the arrangements for a townsite will serve a need which has been in evidence for some time with the growth and development of the district. In due course application will be made for incorporation of the town and for the establishment of a post office. At present, he points out, the Quebec Government is proceeding with the completion of the highway from Amos to Sullivan.

Other ore sections have also been indicated by diamond drilling from the second level, Mr. Kee stated.

"The mill is now running on the basis of sixty tons per day in ore averaging $17 at current prices for gold. The new hoist and compressors are now installed and working and the programme of underground development has been increased.

"Results of the recent underground developments are very gratifying and continue to increase and improve ore as well as general conditions."

Kingfisher Gold Mines Has Working Capital of $7,450

In a balance sheet as at September 30, 1934, Kingfisher Gold Mines showed current assets totalling $10,849 and current liabilities of $3,399. Current liabilities include $10,638 cash in the bank.

Kingfisher Gold Mines with properties about two miles south of central Manitoba in the Rice Lake mining district in Manitoba, is at present being extensively developed under the management of William E. Bailor, president. While results of a current diamond drilling campaign has not as yet been released, officials of the company state that surface work and drilling to date indicate that a shaft will be sunk during 1935. Of an authorized capitalization of 3,000,000 shares of no par value, 1,,300,000 shares have been issued for property and 290,667 shares issued for cash. In addition to the above the company has granted an option on 834,000 shares for cash. If this option is exercised there will remain unencumbered in the treasury 575,333 shares.

LITTLE LONG LAC BEGINS NEW ERA WITH FREEZE-UP

Many Companies Start Programme of Drilling for Winter

From Our Own Correspondent

SUDBURY—While the new 200-ton mill of Little Long Lac Mines is gradually working its way up to full capacity and the first gold brick from the district will soon be on its way to the mint at Ottawa, other companies operating in the Little Long Lac area are preparing to undertake diamond drilling operations throughout the winter, exploration which is in many instances more difficult in the summer due to water conditions.

Roche Long Lac is expected to launch drilling operations on its second group of claims northwest of its main operation and adjoining Hollinger's ground. At last report Roche had some $125,000 remaining in the treasury, and meanwhile underground work is being carried on at the first level.

Oklend to Drill

In addition to sinking on one ore zone with its newly installed mining plant, Bankfield property at the west end of the Long Lac area will continue diamond drilling for information. This drilling will explore the north zone.

Oklend Gold Mines, it is reported, has contracted for a large amount of diamond drilling.

Longacre Longlac is to continue its drilling to the west to prove, if possible, extension of its ore zone and also to locate a suitable place for a shaft.

MacLeod-Cockshutt, if it suspends underground work will explore with the diamond drill other sections of the property. These various operations ensure a new phase of activity in the Little Long Lac district for the winter months.

Current Chatter From Manitoba

From Our Own Correspondent

WINNIPEG. — Scattergood Gold Mines in the Long Lake district of Central Manitoba are preparing to drill. A crew of more than a score of men have been kept busy on surface work for some months. One vein has been trenched every 25 ft. for 1,500 ft., a second trenched and blasted for 375 ft., while on a third showing over a length of 1,200 ft. ten or twelve trenches have been put down.

* * *

Vanson Manitoba

Vanson Manitoba Gold Mines has considerably increased its working crew and three shifts are now operating putting the shaft down to 375 ft. As soon as this depth is reached, drifting will be commenced on both the 225-ft. and 375-ft. levels. With Electric power good time is now being made with the work.

The new school at Vanson Manitoba also goes into operation this week with an enrolment of 12.

* * *

Island Lake Mine

Island Lake Mine is again operating. Jack Moar, Wings Ltd., pilot, made a trip into the property Monday, taking in J. Cunningham Dunlop, mine manager, and the necessary machinery to effect repairs. It was really the first winter flight into Island Lake, as when Moar brought out Dunlop a few days previously the trip was made on floats. Wings Ltd. will construct a warehouse, radio station and office at Ilford on the Hudson Bay line which will be the jumping-off place for both the God's Lake and Knee Lake districts. Canadian Airways already have a base at that point and will also be flying into the north country from that point. Several trainloads of freight have already arrived at Ilford and tractor trains are in readiness to leave as soon as weather conditions are suitable.

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Antler Gold Mines Formed to Merge Two Syndicates

The formation of a company to be known as Antler Gold Mines, to incorporate the holdings of Universal Gold Syndicate and Long Lac Gold Syndicate has been announced. Antler Gold Mines will be capitalized at 3,000,000 shares no par value. After the Long Lac and Universal Syndicate unit holders have received the shares reserved for them under their syndicate agreement, there will still remain in the treasury 1,410,000 shares of the company to be used for further development purposes, it is announced. Universal Gold Syndicate is capitalized at $25,000 and owns 600 acres in Joannes Twp., Quebec. Universal Gold also owns a silver property in the Maple Mountain district Cobalt. On this property a shaft is down approximately 180 ft. and it is claimed that over $100,000 has been spent in equipping and developing the property. Work on the Joannes Twp. property has been of an exploratory nature only.

Long Lac Gold Syndicate is also capitalized at $35,000 and owns 240 acres in the Long Lac area.

Wells - Long Lac Buys Stagee Mining Claims

Wells Long Lac Mines, which owns a group of 15 claims at Magnet Lake in the Little Long Lac area, has acquired a property known as the Stagee Mining claim on Shoal Lake near Mine Centre, Ontario. This property was examined in May of this year by Percy E. Hopkins, consulting geologist and vendor of the property who states that samples from the section 125 ft. in length gave .595 oz. of gold per ton across 25 ins. Another section 32 in length in the same vein gave .538 oz. of gold per ton across a width of 20 ft., according to Mr. Hopkins. A faulted section of the main vein occurs some 700 ft. northwest where a 10 ft. shaft is sunk. This vein is traceable for 50 ft. and then disappears beneath the drift. Samples from here gave .14, .14 and .19 oz. of gold per ton. As a result of his inspection, Mr. Hopkins recommends that a two compartment shaft be sunk 110 ft. and 300 ft. of drifting be done on the vein at the 100-ft. level. This recommendation has been adopted and a sinking plant put on the property.

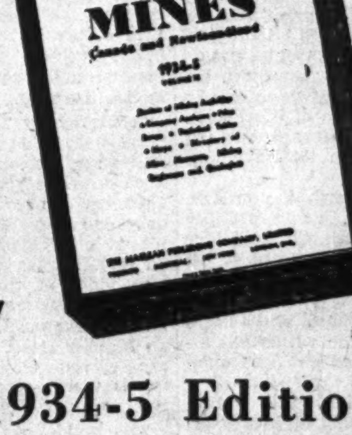
At the latest report, the shaft was down 25 ft.

Mr. Hopkins states he is financially interested in the property as a vendor.

Kirkland Cons. Starts New Drilling Contract

Diamond drilling on the property of Kirkland Consolidated Mines under a new contract is now under way, J. W. Rudhard, president of the company, informs The Financial Post. Diamond drill holes, No. 12, 13, 14 and 15, have been surveyed and spotted and the drills are cutting away to reach the dike at the 500 ft. elevation. Diamond drill holes No. 4 and No. 9 which were 150 ft. apart cut the vein at depth. In both instances, they showed a true vein width of about 10 ft. Assays from the core in the first hole gave 2.22 oz. of gold per ton. Assays from the core in the second hole gave a little better than $4 per ton. The company states its intention of continuing drilling to prove the vein for width and length.

Mining Facts



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